

السبوت 4 مايو 1996

Weekend

FINANCIAL TIMES

Weekend FT

Rugby: keep your eye on the money



Queen Beatrix, the General Manager



A forger's pact with the devil



SECTION II

World Business Newspaper

WEEKEND MAY 4/MAY 5 1996

France launches privatisation of insurer AGF

France yesterday launched the privatisation of insurer Assurances Générales de France. A pre-placement period will start on Monday, allowing potential investors to register their interest in buying shares. The government will sell at least 62m of its 77m AGF shares, including 17m for the general public, 35m for institutional investors and up to 7m for group employees. Analysts believe the privatisation should bring in FF85bn-FF100bn (\$1.55bn-\$1.94bn).

Land mine pact agreed: An international protocol outlawing undetectable anti-personnel mines was adopted by 55 governments, but the Geneva pact falls short of a total ban on land mines. Page 3

UK Conservatives mauled at local polls: British prime minister John Major insisted his Conservative party could still win a fifth successive general election next year despite losing 567 of the 1,016 local government seats they were defending in Thursday's polls. He also said his government would make no more concessions to Eurosceptics - party members who oppose closer European Union integration. Page 22

Aznar spells out plans: Spain's conservative Popular Party leader José María Aznar stressed job creation, government efficiency and meeting Europe's monetary union criteria when he outlined his programme before taking office as prime minister. Page 2

China warns US: Beijing warned the US it would retaliate if Washington imposed sanctions on China for copyright piracy. Earlier this week US trade officials said China's failure to implement a joint agreement to protect copyrights was a top trade priority and sanctions were possible.

Dismissal in US: The US confirmed that Chinese dissident Liu Gang had been allowed into the country but would not say if he had been granted asylum. Jailed in 1989 as a leader of democracy demonstrations, Liu had been under surveillance since his release.

Setback for London equity markets:
FT-SE 100 Index
A fall in London stocks was limited by the surprise news of a big insurance merger. With seven pure insurance stocks in the FT-SE 100 share index, as well as other companies with big insurance interests, reaction to local election results and the collapse of the BT/Cable & Wireless talks was partly masked. The index closed 24.8 down on the day at 3,751.6 and 81.2, or 2.1 per cent, lower over the week. Page 19

Pearson warns of Mindscape loss: Information and entertainment group Pearson, which owns the Financial Times, warned that its Mindscape US software company would lose \$48m this year and would be completely reorganised. Page 8

Harrods chief buys radio station: Mohamed Fayed, Egyptian-born owner of London's Harrods store, paid £2m (\$4.5m) for troubled London radio station Viva, launched less than a year ago for women listeners. Page 4

Vermeer paintings show extended: Paintings by Dutch master Johannes Vermeer have proved so popular that the exhibition at The Hague's Mauritshuis Museum is being extended by a week to June 9.

Building bosses probe: South Korean prosecutors said they had indicted the heads of 11 big construction companies after an investigation into breaches of building laws.

Companies in this issue

Abbey National	5	Holland Media Group	2
Adcopec	6	Hongkong Bank	2
Astra	1	Inchcape	9
BT	2	Lanzing	2
Brightons Props	5	National Home Loans	6
Cable and Wireless	6	Nestor-BNA	6
Caracas	2	Pacific Asia Tech	6
Chevron	2	Panther Securities	5
China-Celigy	3	Pizza Express	5
Citibank	5	Royal Bk of Scotland	6
Clarke Nickolls	2	Royal Insurance	22
Co-op Insurance Soc	6	Rugby Group	2
Costain	2	Sandvik	6
Courtauld	2	Smith/Gine Bechem	22
Coutts (CA)	6	Sun Alliance	22
Eye (Wimbledon)	5	The Telegraph	5
Eurotunnel	1	United News & Media	5
Geest	5	Virgin	5
Gleno	22	Wagon Finance	6
Gleno Wellcome	5	Wesell	6

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Philippine court jails 20 Chinese seamen for piracy

By Edward Luce in Manila

A Philippine court yesterday sent 20 Chinese seamen to prison for five years in an attempt to curb piracy, an increasing problem in east Asian waters which has strained relations between Manila and Beijing.

The sentence, to be followed by immediate deportation, is likely to exacerbate tensions between the two countries after a series of recent clashes between the Philippine navy and rogue Chinese naval vessels.

In March, China and the Philippines agreed to co-operate in combating piracy, which has also affected cargo ships from third countries passing through waters in the region.

Several incidents have been blamed on vessels based in southern China, while Thailand and Vietnam have also been accused of permitting piracy.

Last week, Philippine officials apologised for shooting dead two Chinese seamen in waters off Subic Bay north of Manila, admitting that it was a case of mistaken identity. The alleged pirate vessel was in fact a commercial merchant ship registered in Subic Bay.

However, the Philippine government believes rogue Chinese naval vessels have been responsible for robbing international merchant ships in Philippine waters on several occasions over the past 12 months.

Eurotunnel banks agree refinancing outline plan

By Geoff Dyer and William Lewis in London and David Buchan in Paris

Eurotunnel's leading banks have agreed an outline refinancing programme for the Channel tunnel operator which could lead to the group's 225 banks owning nearly half the equity in the company.

The six banks are pressing for the early departure of Sir Alastair Morton, Eurotunnel's co-chairman, as part of its proposals.

However it is not clear whether the banks are pressing for the early departure of Sir Alastair Morton, Eurotunnel's co-chairman, as part of its proposals.

One bank at the meeting in Paris said that the proposals were still "vague" and that they represented the opening shot of the banks in what is expected to be an arduous series of negotiations.

Another of Eurotunnel's banks said that the debt for equity swap was "one of a range of options" which would be put to the company. "It is all riding on a knife edge," the bank said.

The proposals involve a large swap of both principal and interest by the banks, which could be continued on Page 22



The Romanian former tennis star Ilie Nastase handed in his candidacy for the mayor of Bucharest yesterday, and also threatened to sue over newspaper claims that he had served the communist-era Securitate spy service.

The top-selling Romanian newspaper Evenimentul Zilei based its coverage on a story in the German daily Die Welt. "I was surprised that such a serious paper [as Die Welt] might have reported that I was a Securitate officer," Mr Nastase said, denying there was any truth in the report.

Sweden's Astra hit by sexual allegations

By Hugh Carnegie in Stockholm

One of the world's fastest-growing pharmaceutical groups, Astra, yesterday struggled to shore up its image in the face of lurid allegations of sexual harassment against a number of its US executives.

The allegations have shaken the Swedish company weeks before it is due to be listed on the New York Stock Exchange.

Mr Staffan Ternby, Astra's head of corporate communications at group headquarters near Stockholm, said: "I will not defend this in any way. It is an awful mess and it is very important that we clear it up."

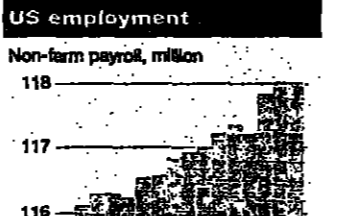
Earlier this week Astra, the jewel in the crown of the Wallenberg family industrial empire, suspended Mr Lars Bildman, chief executive of its US operations for the past 15 years, after it was alerted in advance by Business Week magazine to a series of sexual harassment allegations it published yesterday.

The magazine cited a dozen cases of women who claimed they were fondled or solicited for sexual favours by Mr Bildman or other executives between 1991 and 1994.

Weak US jobs growth eases market fears of rate rise

By Michael Prowse in Washington

US payroll employment rose by only 2,000 people last month, alleviating fears in financial markets that rapid economic growth would force the Federal Reserve to raise interest rates.



The Clinton administration drew comfort from an unexpected drop in the jobless rate from 5.6 per cent in March to 5.4 per cent - matching the lowest level seen in the past 18 months. Unemployment fell despite weak employment growth because the labour force - the numbers working or available for work - declined.

Bond prices initially rose half a point, but fell back in later trading on continuing unease about inflation prospects. The Dow Jones Industrial Average recovered somewhat from its 77-point loss on Thursday, up 14.09 at 5,512.36 at lunchtime. The flat payroll report surprised Wall Street economists who expected a gain of about 120,000 in the first quarter, monthly employment gains averaged 221,000, about 60 per cent higher than in the second half of last year.

The figures came as a relief to the bond market, which reacted negatively on Thursday to reports of much stronger than expected economic growth. Real gross domestic product grew at an annual rate of 2.8 per cent in the first quarter, against forecasts of an increase of about 1.6 per cent and a 0.5 per cent gain in the final period of last year.

Investors feared that if growth continued at this pace, the Fed would have to raise short-term interest rates.

The April employment figures, Continued on Page 22
Editorial Comment, Page 8

Continued on Page 22
Editorial Comment, Page 8

STOCK MARKET INDICES

FT-SE 100	3,751.6 (-24.8)	US LUNCHTIME RATES	Federal Funds: 5 1/4%	STERLING	New York lunchtime: \$ 1.5045	DOLLAR	New York lunchtime: DM 1.5285
FT-SE Eurotrack 100	1,668.0 (-13.28)	3-m Time Rate: 5 1/2%	London: 7.7678 (7.7647)	London: \$ 1.5025 (1.4994)	DM 1.5273 (1.5328)	FFr 5.1833 (5.1785)	SFR 1.348 (1.3488)
FT-SE A-All-Share	1,687.22 (-0.6%)	Long Bond: 8.9%	Yield: 7.057%	\$ 2.2948 (2.2962)	London: DM 1.5273 (1.5328)	FFr 5.1833 (5.1785)	SFR 1.348 (1.3488)
Nikkei	closed	North Sea Oil (Argus)	Brent Dated: \$19.43 (19.42)	Y 157.349 (156.950)	E Index: 83.7 (some)	\$ Index: 86.3 (86.4)	Tokyo closed
New York lunchtime		IN GOLD	New York Comex (Jun): \$284.1 (286.7)	E Index: 83.7 (some)	\$ Index: 86.3 (86.4)	Tokyo closed	
Dow Jones Ind Ave	5,515.87 (+17.70)	London Comex (Jun): \$283.2 (same)					
S & P Composite	647.42 (+4.04)						

CONTENTS

News	International News: 23	UK News: 4	Weather: 22	Life long gift list: Jan 1043 (Jan 1052)
Features	FT&P-Wid Index: 17	Foreign Exchange: 10	Gold Markets: 7	London SE: 18
Leaders Page: 8	Company & Finance: 5,6	Markets	Managed Funds: 11-15	Money Markets: 17
FT-SE Actuaries: 19				

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Vietnam succumbs to US fast food invasion

By Jeremy Grant in Hanoi

For fast food junkies in Vietnam, the news is good. But for the country's guardians of cultural correctness, the opening of a Texas Chicken outlet in Ho Chi Minh City today may be a little difficult to swallow.

The restaurant, the first US fast food outlet in Vietnam, is a joint venture between Atlanta-based America's Favorite Chicken (AFC) and PT Citra Selera Murni of Indonesia, owned by Mr Athang Latief, an ethnic Chinese businessman.

The restaurant, located within striking distance of foreign-financed hotels and office blocks, belongs to the same chain that owns Popeye's Chicken & Biscuits in the US. It can accommodate 100 people and features Texan motifs on its walls. The menu is simple: "southern fried chicken".

Although upmarket restaurants serving western-style food are common in a city with a growing foreign community, the food culture - as throughout Vietnam - is still based on the twin staples of rice and noodles. Yet AFC has plans to open 10 Texas Chicken outlets in Vietnam by 2000.

The price of a plate of chicken has not yet been disclosed, but locals are unlikely to find it a strain on the wallet. With an average annual per capita income of \$850, Ho Chi Minh City has started to attract a range of foreign investors in the leisure, restaur-

There has been an undercurrent of discomfort at 'unwelcome foreign influences'

rant and ice-cream business, chasing increasing purchasing power.

The fact that Texas Chicken is partly backed by an ethnic Chinese will no doubt help ensure the venture's success. Business in Ho Chi Minh City is dominated by those with Chinese connections, usually specialising in small-scale retail projects like restaurants and hotels.

Another restaurant venture is planned for Ho Chi Minh City by Mr B S Ong, the Singapore-based tycoon who plans to open a branch of the Hard Rock Cafe franchise, which he owns.

The timing of the launch of the US fast food concept in Vietnam is perhaps unusual, coming three months after the authorities started a campaign against "social evils", mostly prostitution, drugs and gambling. But there has been an undercurrent of discomfort at "unwelcome foreign influences".

As part of the drive, signs bearing foreign brand names and logos have been painted over.

Still, the existence of a Texan logo in bright red and yellow colours over the new restaurant may not grate too much with the Vietnamese government officials invited to today's opening ceremony. Some of them may already be familiar with the fast food concept.

Vietnamese and Thai entrepreneurs have opened a number of low-budget restaurants in the city centre in the last year. One such establishment operating on a main street until recently and serving barbecued chicken used Vietnamese lettering to style itself "Ca-Li-Pho-Ni-A".

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UN fails to agree outright ban on landmines

By Frances Williams in Geneva

The United Nations and humanitarian organisations yesterday vowed to step up their joint campaign for a complete ban on anti-personnel landmines, after representatives of more than 50 governments adopted a UN treaty merely to strengthen controls on their use and export.

In a statement to the closing session of the treaty negotiations in Geneva, Mr Boutros Boutros Ghali, UN secretary-general, said he was deeply disappointed by the failure to agree a ban. He called on all states to prohibit the production, stockpiling, use or sale of landmines. By the time of the next review of the treaty in 2001, another 50,000 civilians

would have been killed and a further 80,000 wounded by landmines, he said. "Furthermore, 10m to 25m landmines will have been added to the 110m already unexploded."

Some 34 countries have expressed their support for a ban and more than a dozen have unilaterally renounced the use of anti-personnel landmines, most of these since the

start of talks in early 1994 to revise the 1980 UN treaty on inhumane weapons.

Nearly 50 nations are observing a UN call for a moratorium on all or some landmines, including almost all those countries which used to be important exporters.

But big landmine producers, such as Russia, China, India and Pakistan, oppose a ban,

saying they still see a military need for mines to defend their borders. The US is said to be considering a phase-out but only by 2010.

Canada yesterday announced its intention to host a conference in Ottawa in September to mobilise support for an international landmine ban, to be attended by like-minded governments and non-govern-

mental organisations. Officials said the Canadian government planned to submit a resolution to the UN general assembly and would be pressing at the June meeting of the Organisation of American States for a "landmine free zone" in the western hemisphere.

Diplomats involved in the treaty revision, adopted after Pakistan withdrew earlier

objections, maintain that if respected the new rules will save many lives.

The rules, expected to enter into force later this year, will outlaw the use of undetectable plastic landmines and ban long-lived mines outside guarded fenced areas, though only after nine years. An export ban on prohibited mines begins immediately.

Tough line by Hongkong Bank surprises strikers

Manuela Saragosa on why foreign bankers are accused of misunderstanding Indonesian subtleties

The disputes between foreign banks in Indonesia and their staff - highlighted this week when Hongkong and Shanghai Banking Corporation dismissed a third of its workforce - reflects two causes of conflict in the industry: cultural misunderstandings between company and employees; and union power at foreign banks.

The disputes have been prompted by the renewing of collective labour agreements, known as CLAs, with union leaders. CLAs, which are peculiar to foreign banks as workers at local banks are not unionised, are renewed every two years and strikes and industrial action are a part of

the negotiating process.

At Hongkong Bank 187 employees have been fired, with the bank arguing that they were staging an illegal strike.

The union says the employees were sacked but management insists that, under Indonesian law, the strike was illegal as no application had been made a week earlier to the ministry of manpower - and therefore the employees had chosen to resign.

Citibank has so far managed to avert a protracted strike, although its staff have taken to wearing protest signs at work in recent months.

The dismissals at Hongkong Bank came as a shock to the

bank's union, which is part of the All Indonesia Workers Union, the only one recognised by a government which keeps tight control over organisation of labour. And Hongkong Bank's hard line in the negotiations may be setting a precedent for other foreign banks in Indonesia.

To members of the union, the problem with the negotiations was cultural. They claim that management was "dictatorial" in its talks and ignored the subtleties of negotiating techniques in Indonesian culture.

They argue that negotiations require time and patience, quoting the Indonesian principle of *musyawarah untuk*

mufakat, or "consensus decision-making", which is enshrined in the state ideology and means that decisions between negotiating parties should be unanimously agreed.

"If we are talking about consensus they have to understand about Indonesian culture," says Mr Ugianto, head of the Hongkong Bank union, who is one of the 187 dismissed employees.

However, Mr Philip Holberton, the bank's chief executive in Indonesia, noted that the negotiating team had been all-Indonesian.

To many foreign bankers the issue has more to do with the union taking advantage of favourable labour conditions.

CLAs are an obvious source of conflict, as they are made up of dozens of articles going into detail about each employment condition, and are renegotiated word-for-word.

In the murky world of Indonesian law, it is not clear whether CLAs are obligatory but most agree that the fact that foreign banks negotiate them is a sign of goodwill on their behalf. It is, however, a laborious process that can take as long as four months.

"It's a recipe for a problem. You can imagine the drain on a person's sanity," says a director of one foreign bank in Jakarta.

This argument, however, does not win favour with the

union. At Hongkong Bank they wanted across-the-board pay increases of 8.9 per cent and, among other things, were demanding severance pay of \$100,000 for anyone who was sacked and a letter of recommendation thrown in.

Hongkong Bank did not want to offer any pay increases, arguing that merit-based pay rises and other benefits already amounted to a sufficient improvement in the pay packages offered.

Union members also voiced complaints about promotion opportunities at Hongkong Bank, saying only those people with overseas degrees were promoted beyond supervisory level.

This, they say, creates a feeling of "class conflict" between management and junior staff. Management at the bank deny they limit promotions in this way.

Industry analysts say race may also be an issue. It is widely acknowledged that many Indonesian bank executives are of ethnic Chinese origin, a minority resented among other Indonesians for their disproportionate hold on the country's private capital.

Meanwhile, Hongkong Bank says it will continue operating normally and notes that "loyal staff" have been working overtime to make up for the labour shortage.

Indian reformer urges more federalism

By Shiraz Sidhva in New Delhi

India's national political parties should become more federal and the country's states would work better together as a loose confederation, Mr P Chidambaram, who resigned as commerce minister in April to contest last week's elections on a regional party's ticket, said yesterday.

"All national parties should become federal parties because there is simply not enough wisdom which can take into account regional aspirations and evolve a national policy without offending regional sentiments."

"That kind of wisdom perished with Indira Gandhi and Rajiv Gandhi. It therefore seems not only necessary but also desirable that national parties become federal in character."

The Harvard-educated lawyer, considered one of the architects of India's economic reform programme, resigned from Mr P V Narasimha Rao's cabinet in protest at his Congress party's electoral alliance with the ruling party in Tamil Nadu, his home state.

He was subsequently expelled from the party.

The former minister said federal parties worked well in Germany and the US, and there was no reason why they should not work in India.

"At the state level, liberalisation has already forced decentralisation of power through a system of *panchayati raj* [local self-government at the village level], and will eventually lead to a more federal policy," he said.

"On an economic level, states are already separately wooing investment and separately developing their own infrastructure, but a parallel movement is necessary at a political level."

The election results next week are likely to show national political parties on the decline and a rise in the fortunes of regional parties.

"This is because the leadership is unable to comprehend and accommodate state leaders - there is little effort made to understand them, and less effort to accommodate their aspirations, and so there are revolts at hand," explained Mr Chidambaram.

He pointed out that no national political party had been free from revolt in recent years; the Congress is facing revolt in several states.

According to Mr Chidambaram, the Janata Dal, which along with the left parties makes up the National Front, the so-called third force in Indian politics, had already achieved a federal character.

On economic reforms, Mr Chidambaram insisted they would not depend on which government was in power, but on who the reformers were in that government.

"Strong reformist leaders in charge of ministries including finance, commerce, industry, and agriculture could push the reforms component through more effectively in an apparently weak government than no reformers in a strong government."



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Pearson warns it will face £46m loss from Mindscape

By Raymond Snoddy

Pearson, the information, publishing and entertainment group, yesterday warned that Mindscape, its US software publishing company, would show losses of \$46m this year.

forecast for Pearson, which owns the Financial Times, by £37m to £245m. Pearson plans a complete reorganisation of Mindscape, which will focus on a narrower range of longer-life products.

board was challenged by a small shareholder, Mr Simon Israel, who said he had warned at a previous AGM that Pearson had spent the proceeds of the "brilliant" investment in British Sky Broadcasting on "a second class outfit".

sible for making that decision not done the decent thing that is applicable to every other company - that if you make a mistake of that proportion you resign?" Pearson directors said that with hindsight there had been too many products not of high enough quality.



Lord Blakenham: there was no need to be ill-mannered

Grid sheds light on stake sale

By Roula Khalaf and Samer Iskandar

National Grid yesterday shed some light on the mystery surrounding the recent sale of 210m of its shares to HSBG James Capel, and the involvement of Saudi billionaire Sulaiman S Olayan in the transaction.

On Tuesday HSBG James Capel paid Hanson, the industrial conglomerate, £406m for 210m shares of National Grid, or 12.5 per cent of the company then hedged its risk by entering into a derivatives contract with a subsidiary of the Athens-based Olayan Group, run by the Saudi financier.

National Grid said yesterday the Olayan Group had in effect underwritten James Capel's purchase of the shares. In return the stockbroker, which is the legal owner of the stake, entered into an off-balance-sheet derivatives transaction, whereby it shares with Olayan the gains as well as the losses of the portfolio.

Power behind the golden shares

Simon Holberton analyses the conflict of new found economic nationalism and a desire for competition

This week the government told potential bidders for National Power and PowerGen, the two main electricity generators in England and Wales, to back off. In the City, however, its reputation took another knock for a further example of policy-making on the hoof.

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SUN ALLIANCE/ROYAL INSURANCE MERGER

Rivals fearful of further industry consolidation

By John Gapper, Banking Editor

A consolidation of the composite insurance industry has been expected for some time, but the proposed Royal Insurance-Sun Alliance merger nonetheless put the two companies' rivals on the defensive yesterday.

are seen as vulnerable, attracting more interest from outside the UK in what remains a fragmented industry. The focus was immediately on Guardian Royal Exchange, which is regarded as vulnerable because it has the smallest life operation of the five large composites, and has lost ground because of the merger.

with another's strengths. Analysts said one of the attractions of the deal was the way in which each complemented the other. One possible match could be General Accident and Guardian. General Accident is not as strong in Europe as Guardian, but is more powerful in the US.

The merger could ease the competition for smaller mutual life companies, which the larger companies have been in the process of buying to increase their scale. Sun Alliance was one of the keenest predators of smaller firms.

Employees leaving the Sun Alliance's City headquarters yesterday, however, revealed a feeling of inevitability. One human resources manager said: "We knew that this was coming. In time I think it will be seen as a positive thing because it puts us in a good position with the industry."

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Little threat to cheaper premiums

By Roger Taylor and George Graham

The merger announced yesterday by Royal Insurance and Sun Alliance may be the start of a wider consolidation in the insurance industry, but it is not expected to stop consumers from continuing to enjoy cheaper premiums.

are still 5 per cent lower than a year ago. Household insurance is still coming down in price, with rates for buildings insurance down 9 per cent over the last year. Although several insurers have talked of raising prices, few have yet done so. Customers of Royal and Sun Alliance will notice very little change following the merger of

the two companies. Both will continue trading under their own names as separate parts of the joint company Royal Sun Alliance. There are no plans to alter the products and services offered by either company. Mr Roy Randall, head of group corporate relations at Royal, said: "It will be business as usual. Customers will con-

tinued to deal with Royal or with Sun Alliance". People with car, house and other general insurance policies with either company will notice no change when their policies come up for renewal. The intention is to keep the branding and terms of such policies unchanged. The two life businesses will also be kept separate. There are no plans to merge the with-profits life funds or any of the other insurance funds and unit trusts. But the investment management divisions of each company will be brought together into one team once the merger is completed in August.

Employees greet merger with 'stunned relief'

By Jane Martinson

There was a distinct air of "better the devil you know" among insurance workers after yesterday's merger was announced. After years of reorganisation and weeks of intense takeover speculation, resignation was as evident as worry.

Mr Alan Piper, assistant general secretary at finance union Bifu, which represents 800 Sun Alliance workers, was much less sanguine. He said months of uncertainty would dent morale badly. "We don't even know which centres are going to close," he said. "All they've looked after is the bloody shareholders."

Contrasting backgrounds at the top

The two men who will head Royal Sun Alliance could scarcely be more different in background or outlook, writes George Graham. Mr Roger Taylor, who is 54 and will become executive deputy chairman, is a lifelong insurer who joined Sun Alliance at the age of 17. He has worked for the company ever since - except for a five-year secondment to Hong Kong to set up a joint venture with Jardine Matheson - and took over as chief executive in 1994.

In his 30s he had an early involvement in insurance as a director of two Lloyd's brokerages. His expertise, however, was in finance, and he spent most of his career in this role with companies such as Northern Telecom, McDonnell Douglas and British Airways. Company officials said Mr Taylor, as deputy executive chairman and chairman of the management board, would be responsible for strategy, while the 56-year-old Mr Gamble would take charge of the group's day-to-day management. In contrast to the quiet and

restrained Mr Taylor, Mr Gamble is described as "quite a jolly character". Despite this, Mr Gamble does not shrink from tough measures. The reputation he has won at Royal has come from imposing tight financial reporting systems and much stricter standards for underwriting new business. "It is basically Gamble that has to do the hatchet job," said one insurance analyst. The new board will be chaired by Sun's Sir Christopher Benson, with Royal's Mr Allan Gormly as non-executive vice-chairman. But both boards agreed that the merged com-

pany should seek a new non-executive chairman from outside the group as soon as possible. Only two other executives will join Mr Taylor and Mr Gamble on the merged board. Mr Arthur Hayes - like Mr Taylor - is a lifelong Sun Alliance employee who started in the group's investment department in 1982. He will become group executive director in charge of asset management. Mr Paul Spencer - like Mr Gamble - is a finance specialist and recent recruit to Royal. A former Hanson treasurer, he will be group director for finance and integration.

NEWS DIGEST

Rugby and Costain warnings

Shares of UK construction and building materials companies fell sharply yesterday following a series of profit warnings from companies in both sectors. Shares in Costain, the construction and mining group, fell by 10p to 89p after the company said that losses in 1996 were likely to be greater than current brokers' forecasts.

Adscene shares tumble 32p

Shares in Adscene slipped 32p to 253p yesterday after the Canterbury-based publisher said pre-tax profits for the year to May 31 would not meet market expectations. It said that although they would be ahead of last year's £4.6m profits for 1996-96 would not meet current expectations of £2.8m. Mr David O'Brien, analyst at Beeson Gregory, the house broker, has downgraded his forecast to 25m.

Geest pulls out of Necta

Geest is selling the Necta prepared nappies business to Pacific Asia Technologies, its partner in developing the Necta technology, for up to \$6.7m (£4.33m). The company said it was a perfect solution to solve a problem which led Geest to make an exceptional charge of £3.6m in last year's accounts. It is not thought any further charges will be needed. Geest, the fresh foods company, will receive \$1.45m cash, a convertible debenture worth £2.25m and a deferred sales related payment of up to £3m.

CA Coutts placing on Aim

Mr Norman Essex, 74, chairman of CA Coutts Holdings, a producer of in-store displays and point-of-sale material, is set to make £945,000 when his company joins the Alternative Investment Market via a placing of 3m ordinary shares at 105p each. The placing, sponsored by Beeson Gregory, will raise £3.17m gross, with £1.27m going to the company. Mr Essex will be selling about 900,000 of his holding of 3.08m shares. Trading is expected to start next Thursday.

Royal Bank sale raises £19m

Royal Bank of Scotland has sold its remaining 9.9 per cent stake in Charterhouse to Charterhouse European Holding for £19m in cash. Charterhouse Holding is a joint venture company equally owned by Credit Commercial de France and BHF-Bank. The deal was carried out in accordance with the provisions of a put option granted to Royal Bank at the time of the sale of its 90.1 per cent stake in Charterhouse in 1993.

Wassall in £11.5m disposals

Wassall has completed the £11.5m cash disposal of four companies from its industrial and commercial division to Omnipack, a company whose finance has been arranged by ECI Ventures. The consideration included the sale of three group properties occupied by the companies - MCG Rossitie, Gilchrist Brothers, MCG Graphics and MCG Containers & Closure. For 1995, their total operating profits were £1.8m and at the year-end net assets were £4.5m including the properties. The proceeds will be used to reduce borrowings.

Nestor-BNA to sell division

Nestor-BNA is selling its specialist personnel companies to their managements for £7.9m. The disposal of Hewitson-Walker and Scott-Grant is in line with the strategy of focusing on fewer business areas, particularly financial and management resources. Hewitson-Walker is being sold for £8m cash to a new company owned by management and 3i Group. Scott-Grant's management is paying £300,000 on completion with the balance of £1.37m satisfied by the issue of a secured loan note. The group said that after the disposals, borrowings of £4.7m would turn to a cash surplus of £1.8m.

National Home Loans buy

National Home Loans, the centralised mortgage lender, has acquired RCR Contract Hire and Leasing, the Coventry-based vehicle contract hire and leasing company, for £7.5m cash from NHL's own resources. In 1995, RCR made pre-tax profits of £1.5m on turnover of £7.7m and at December 31 had net assets of £927,000.

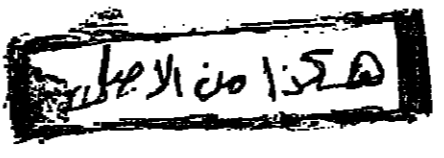
Inchcape Swiss retrenchment

Inchcape, the international distribution group, is pulling out of motor activities in Switzerland by selling its Daihatsu franchise to Zurich-based Emil Frey for up to SF7m (£3.8m), including a goodwill element. The group will close its Swiss import centre in the second half of this year. Its Daewoo import and distribution business will be replaced by a wholly owned subsidiary of the South Korean manufacturer. Inchcape retains insurance operations in the country.

CIS turns in 10% surplus rise

Higher investment income helped the Co-operative Insurance Society to a 10 per cent rise in its surplus last year, despite falling sales of life assurance and pension policies. Sales of both regular and single premium policies fell 9 per cent to £101.8m and £93.7m respectively. Premium income also slipped across the range of CIS' non-life business, by 15 per cent to £450m. Mr David Wise, chairman, told the annual meeting that sales figures had been depressed by the amount of time sales staff had spent both on the society's reorganisation and on studying to meet the training and competence standards set by financial regulators. CIS also announced that Mr David Hollas, one of its three deputy chief general managers, will succeed Mr Alan Sneddon as chief general manager in March next year.

Table with financial data including Turnover, Profit, EPS, Dividends, and Total for year.



1550

COMMENT & ANALYSIS

Politics - Robert Peston

Brave face on disaster

Tories did badly in the UK local elections, but not as badly as they feared

In the aftermath of Thursday's tidal wave of public opinion which obliterated the Tory powerbase in UK local government, the prime minister yesterday claimed he had spotted a safe harbour ahead. "We lost many good Conservative councillors who have served their communities well," Mr John Major acknowledged. But he would "win the next general election".

hundred more councillors than the Tories. There was perhaps a crumb of comfort for the Tories in that they did not lose control of any town halls - although their ability to run Runnymede council in traditionally Tory Surrey now depends on the casting vote of the mayor. But it was pretty cold comfort, since after the previous year's rout, there are only 14 local authorities coloured blue on the electoral map. Most of the UK is now a bright shade of red, interspersed with patches of Liberal Democrat orange in the south-west and the north of England.

It was significant, therefore, that even Tories with a deep-seated loathing of Mr Major - who are predominantly Eurosceptic - resisted the temptation yesterday to call for his head. The headline in the London Evening Standard summed up the reason: "Phew! It's only a disaster." It was just the faintest of signs that the Conservatives may have turned the corner. In 1995, the Tories won an esti-

mated 25 per cent of the vote, compared with 47 per cent for Labour and 23 per cent for the Liberal Democrats. Although the comparable figures for Thursday are disputed by the parties, there is agreement that the Tories made modest progress to perhaps 27 or 28 per cent, with Labour dropping to about 44 per cent. Labour was not devastated by the trend. "If that was repeated in a general election, we would have a majority of between 150 and 200," commented one of its psephologists. Yesterday, Mr John Prescott, Labour's deputy leader, claimed that the party's strategy of concentrating its efforts on "key seats", the marginal constituencies it needs to win in a general election, had paid off in spades.

The party needs for example to make progress in southern new towns, coastal resorts and Middle England counties. Mr Prescott was therefore delighted at Labour gains in Basildon, Bedford, Cambridge, Harlow, Gloucester, Eastbourne, St Albans, Welwyn Hatfield, among others. These successes will underpin the general election campaign, since local councillors can provide invaluable support to sitting MPs and candidates. The Tories are therefore at a significant disadvantage. Local government strength is also one of the best indicators of the fundamental health of a party, since councillors often graduate into MPs. "It is a big long-term problem if you have no councillors," a minister conceded. "Apart from anything else, anyone involved in local decisions has a far greater understanding of the day-to-day dilemmas faced by a government and helps to spread that understanding."

However, he and his ilk will be consigned to oblivion in the absence of greater single-mindedness at the top of the party. Mr Major has so often in the past appeared the victim rather than the master of events, that yesterday's show of resolution cannot be guaranteed to last. There are also powerful forces continuing to work against any government reinvigoration. The brief crisis for example is occupying so much of cabinet ministers' time that development of new policies has been squeezed out. Eurosceptic Tories are also stepping up their offensive to persuade Mr Major to adopt a more anti-EU approach, defying his call for unity. This week two separate groups of sceptics - one led by Mr John Redwood, who challenged Mr Major for the leadership last summer - are laying out alternative agendas for the government. But as Mr Major made clear yesterday, almost a full year remains before the general election. "It will be on May 1," a minister muttered, with a shrug.



Philip Stephens

A party holding office but no longer in power



The UK local elections were a sideshow, just another small signpost on the road to the fracturing of the most successful coalition in British politics. This has been the Conservative century. The party has been in government for 65 of its 95 years. But as the millennium approaches, Conservative stands precariously at the edge of the precipice. It matters that the party has now been all but extinguished in "local government", that towns and cities such as Oxford, Slough, Stevenage or Manchester can no longer boast a single Tory councillor. But the elimination of Conservatism from the town halls is just reward for the government's wanton destruction of local democracy.

There is also something curious happening when a government can poll less than 30 per cent in a national election and then claim evidence of a political recovery. At this point before the last general election, the Conservatives and Labour were neck and neck. Now Tony Blair has a lead of 16 or 17 points. Trace much of the enthusiasm for Labour which is so visible in the opinion polls melts away at real elections. But there are more powerful forces at work here than the contempt in which the voters hold John Major's government. One must always allow for the impossible in politics. But the odds now must be that we are witnessing the historic break-up of the modern Conservative party.

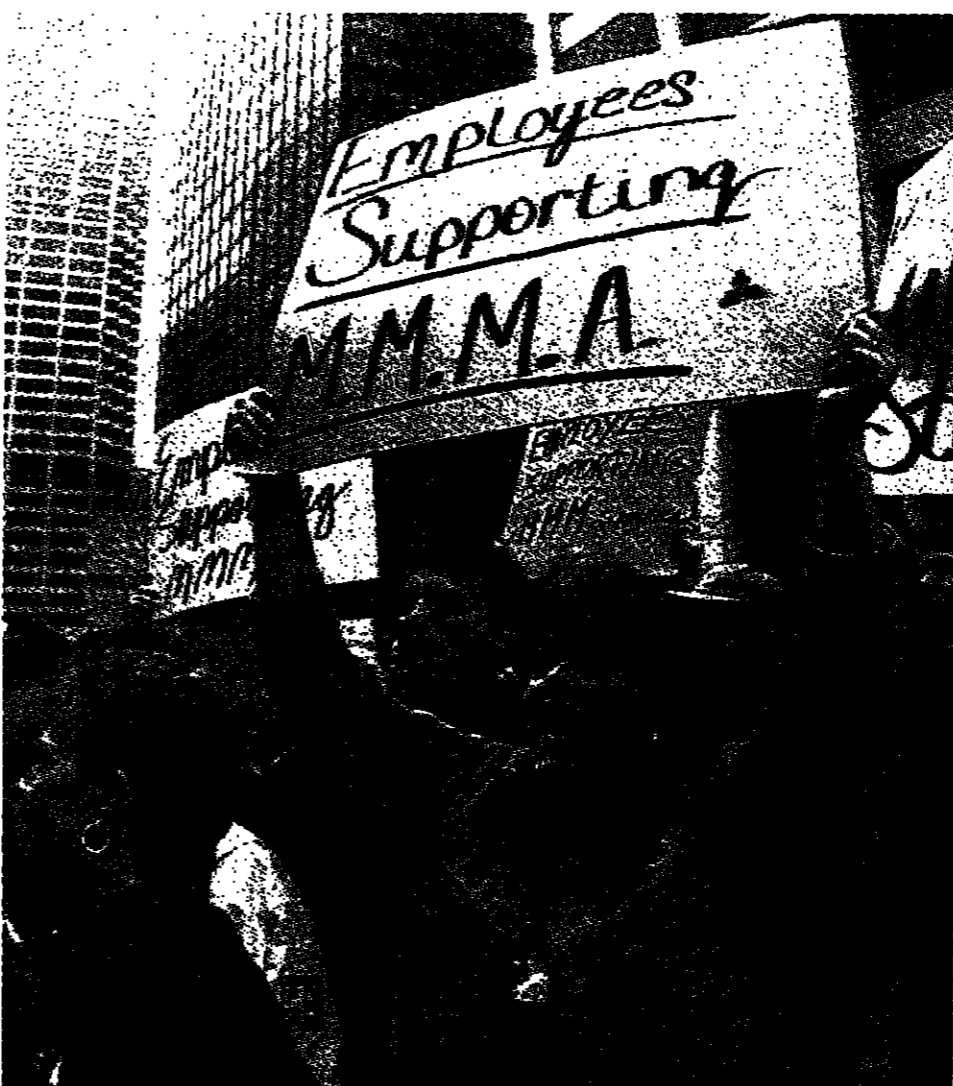
It is in this case, it matters little whether John Major goes or stays. As he watches reason eluded by ideological warfare, loyalty displaced by factionalism, it must be tempting for the prime minister simply to walk away. My view is that he will not and that, even in its present madness, the party will not displace a leader who is consistently more popular than the government over which he presides. Michael Heseltine, the deputy prime minister, never admits defeat. So I suspect that he still wakes sometimes with the dream that he might yet make it over the threshold of 10 Downing Street. But he is not stupid. As he rubs the sleep from his eyes I am sure he realises there would be nothing left worth inheriting. For all his well-rehearsed faults, Mr Major is more symptom than cause of the Conservative malaise. Nor in this context is the outcome of the general election of great importance. There are some senior ministers who remain relevant yet to secure the appointments pages in search of fresh employment. And indeed one can imagine circumstances, just, in which Mr Major might yet win. But day-by-day it becomes harder to see the Tory party as a force capable any longer of governing. There is a credible right-of-centre prospectus for the 1990s. It was sketched out this week in two intelligent speeches by Mr Heseltine and

The Normal response to harassment

The small town at the heart of ugly allegations is an unlikely place to have spawned a culture of sexual aggression, says Tony Jackson

These are strange times in Normal, Illinois. Until three weeks ago most Americans knew this small prairie town only for the quaintness of its name. It has now been thrust into the limelight by America's biggest suit for sexual harassment since the term was invented. In the dock is Mitsubishi Motor Manufacturing of America (MMMA), the US subsidiary of the Japanese carmaker. Its Normal plant employs almost 800 women, half of them on the production line. According to a suit brought by the Equal Employment Opportunity Commission, the Federal watchdog, several hundred of those women have been systematically harassed by their male co-workers for the past six years. Most of the allegations are glumly familiar: pinching, groping, obscene remarks and graffiti. But some of the goings-on in Normal were odder and uglier. It is not in dispute, for instance, that male Mitsubishi workers hired prostitutes for sex parties, and took photographs of their exploits to show back at the plant. Nor is it denied that at least one woman who complained about harassment found a frighteningly abusive anonymous note in her locker. One might infer that Normal is a kind of redneck's heaven: a rustbelt jungle, full of strip joints and sports bars. The reality is quite different. Some 130 miles south-west of Chicago, on the old Route 66 through the heart of America, Normal is a quiet, rather pleasant town: the kind of place where cars wait politely at the stop signs and you are sure of a Gideon's Bible in your hotel room. Even the Mitsubishi factory, a long, low white building a couple of miles outside town, is not unattractive as car plants go. A yellow school bus unloads a gaggle of kids headed for a plant tour and lecture.

It seems an unlikely place to have spawned a culture of sexual aggression. And this, it turns out, is precisely the issue. The equality commission has brought what is technically known as a "pattern and practice" suit, meaning that harassment was tolerated as standard practice at the plant. Mitsubishi concedes that harassment occurred. It denies vehemently that it was pervasive or condoned by management: that it was, in a word, normal. According to Mr Gary Schultz, MMMA's vice-president and general counsel, there have been 89 instances of harassment in the plant's eight-year history, and 10 men have been fired as a result. It seems a high figure, but Mr Schultz will not be drawn. "One case is too many," he says. "We have dealt with cases individually and quickly. We dispute that it's running rampant. This is a comfortable workforce." Perhaps the case has its origins in complaints filed with the EEOC in 1993-94 by 29 women employed at the plant, 18 of whom still work there. The commission duly launched an investigation, while the women pursued a legal action in parallel. Two years on, it has launched a lawsuit of its own. Not everyone, it seems, is as comfortable as all that. The lawyer for the 29 women, Ms Patricia Benassi, lays part of the blame on Japanese work practices and attitudes to women. This is a potentially explosive issue, which both governments are anxious to play down. MMMA's top management is Japanese, and between 60 and 70 Japanese work at various levels in the plant. However, the EEOC denies that Japanese culture is a factor. Conveniently enough, its chief spokesman on the case, Mr Paul Iwasaki, is a Japanese-American. Indeed, for what it



Teamwork: workers were bussed to Chicago to back the company, which closed the plant for a day

is worth, Normal is also home to a big Bridgestone tyre plant, also Japanese-owned and apparently trouble-free. Tokyo, meanwhile, has been putting pressure on MMMA for a quick conclusion. According to the Japanese ambassador to the US this week, his government has "expressed concern" to MMMA executives. Mr Tsu-

neo Ohinoye, the chairman of Mitsubishi Motors in Japan, said last week he wanted the EEOC suit settled. MMMA's conduct has been more aggressive. In one notorious episode, the company last month bussed nearly 3,000 workers on full pay to Chicago to mount a demonstration outside the local EEOC

headquarters. Denied of workers, the plant was closed for the day. Mr Schultz is robust in defending the demonstration. Bear in mind, he says, that this is a workforce trained in Japanese-style teamwork and problem-solving. In response to the EEOC's accusations, the workers formed their own commit-

tees and produced their own solutions, including the Chicago demonstration. Granted, MMMA paid for the buses and the day off. "The other option," Mr Schultz says, "would have been to tell our employees 'no, we're not going to listen to you or accept your support, or allow you to defend yourselves'." But what is MMMA doing about the admitted abuses? The sex parties, for instance, or the note found in the woman's locker? The parties may have been regrettable, Mr Schultz says, but they were unrelated to the work of the plant and therefore not MMMA's business. Bringing the photographs into the plant was not a harassment issue, but a violation of company policy on prohibited material. Seven men have been put on a final warning as a result. As for the note in the locker, that is being investigated. If it proves to be a case of retaliation, existing policy lays down that the culprit will be fired. Meanwhile, Mr Schultz says, the company is actively pursuing a programme to make it a model for American industry on controlling sexual harassment. It will call in third parties to review its existing practices. It will seek to learn from companies which have done the best and worst jobs on harassment in the past. But it will not settle with the EEOC. This is not a contest, Mr Schultz says. The company's management and the commission share the goal of stamping out harassment. Nor is it a conflict with the Japanese head office. "Tokyo is being informed, but it's not giving directions or driving this matter."

Michael Skapinker on problems ahead with deregulation of the aviation market in Europe

An airline faces the fax

Shortly before it began services from London to Amsterdam's Schiphol airfield, EasyJet's new low-cost carrier, received a fax suggesting it fly somewhere else instead. The fax did not come from a rival airline anxious to avoid competition on the London-Amsterdam route. Nor did it come from another city hoping EasyJet would provide it with a new service. The request to call off the new route came from Schiphol airport. The fax said: "I strongly advise you to reconsider your current plan and maybe look into more profitable European destinations. We would not like to see one of Europe's pioneering low-fare carriers go under because of a highly competitive and unprofitable Amsterdam operation." Schiphol says the reason it advised EasyJet not to fly to Amsterdam was that it already has 90 flights a day to London, many at competitive prices. It adds that EasyJet's aircraft are too noisy for an airport which takes environmental protection seriously. EasyJet says its aircraft noise levels are within legal limits and it plans to purchase quieter aircraft. Those hoping that full deregulation of the European Union aviation market next year will lead to an increase in start-up carriers need look no further than the Schiphol fax for some of the problems new airlines face. In 1993, the EU gave European airlines the right to fly freely from their home countries to other member

states. Next year, European airlines will be able to start domestic services in other EU countries. There are already several airlines in Europe challenging established national carriers, such as British Midland, Ryanair of Ireland and Air Liberté of France. But Sir Michael Bishop, chairman of British Midland, predicts that next year's deregulation will not add many more independent airlines to this list. While it is possible to build up new airlines in the British Isles, it is far harder on the Continent, he says. Sir Michael says strict anti-noise rules at some continental European airports mean there is a limit to the number of flights. He adds that while several UK and Irish airports offer discounts on landing charges to carriers wanting to start new services, many continental European airports are more concerned about protecting established carriers. Airline analysts point out that even British Airways, Europe's most powerful carrier, has struggled to establish successful domestic services in other countries. In preparation for full deregulation, BA took stakes of just under 50 per cent in TAT of France and Deutsche BA. Both are still running at a loss. EasyJet, which was founded last year by Mr Stelios Haji-Ioannou, a Greek shipowner, began operating to Amsterdam last month in spite of Schiphol's advice, with fares starting



at €36 one-way. EasyJet already runs services to Scotland from its base at Luton airport, near London. It will begin flying from Luton to Nice and Barcelona in June. Mr Haji-Ioannou argues Europe is ready for low-cost regional operators like those that have sprung up in the US. He has modelled his operation on ValuJet, the US no-frills operation. Travellers on EasyJet do not receive any food or drink, although they can buy a limited range of snacks. Mr Richard Branson, founder of Virgin Atlantic, the long-haul airline, this week acquired 90 per cent of Euro Belgian Airlines, a Brussels-based cur-

enormous amount of money to succeed. Mr Dognanis took leave of absence from Cranfield to run Olympic Airways, a 14-month experience which was cut short in March when he was dismissed by the Greek government. He says to compete with established airlines on busy routes, new entrants need to operate several flights a day. This means they need take-off and landing slots at both ends. Many European airports, however, have a shortage of slots. New airlines have a better chance of succeeding on smaller, less travelled routes. He says: "My feeling is that there will be few new entrants and they won't succeed in the long term." While hopeful European airline executives look to ValuJet and Southwest for inspiration, Mr Dognanis says they should not forget how many airlines, such as People Express, have failed since US airline deregulation in 1978. He says: "The experience of the US is that very few entrants survive the first 10 years of deregulation. Very few that exist now were there 10 years ago." Sir Michael Bishop warns, however, against getting too depressed about the prospects for competitive European air travel. Airline executives are focusing on scheduled services and the effect of next year's deregulation. Europe already has something the US does not, he says: a highly-competitive charter airline market which has already achieved what many EU independent airlines may fail to do.

CURRENCIES AND MONEY

MARKETS REPORT

Dollar stable

By Graham Bowley

Calm returned to the foreign exchanges yesterday after weaker than expected US jobs figures eased expectations of higher US interest rates.

The dollar has fallen sharply in the previous session after strong GDP data hit US bond and share markets.

But yesterday's figures appeared to contradict the earlier data. The data suggested that the US Federal Reserve might delay any move upwards in interest rates to head off possible future inflation.

The dollar remained stable against the yen but traded slightly lower against the D-Mark. Analysts said it was undermined by the signs of weaker than expected growth and a pick-up in inflation threatened by higher average earnings numbers.

The pound performed well in the wake of the better than expected performance by the ruling Conservative government in UK local elections.

The government suffered heavy losses but they were not as severe as the markets had anticipated. Sterling had come under pressure earlier in the week on fears that a disastrous performance by the government might force the resignation of Mr John Major, prime minister.

The dollar finished in London at Y104.725, from Y104.676 at the previous close. Against the D-Mark, it finished at DM1.5273, from DM1.5238.

The D-Mark ended broadly unchanged against most other European currencies after giving up earlier gains. It closed up against the yen at Y85.54 from Y85.28.

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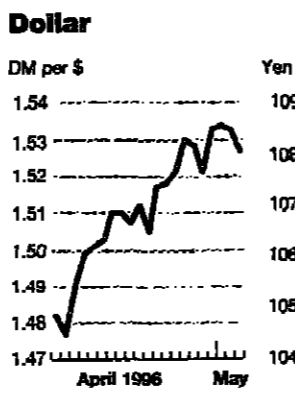
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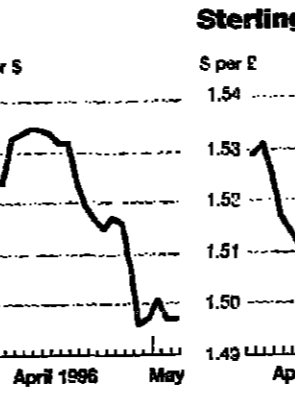
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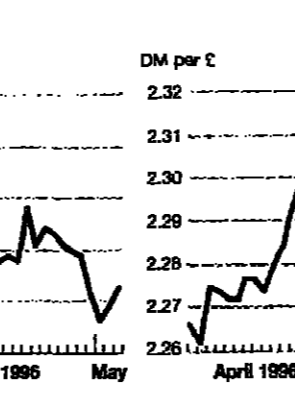
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Source: FT Data



Source: FT Data



Source: FT Data

Sterling finished against the D-Mark at DM2.2948 from DM2.2962. Against the dollar, it closed at \$1.5025 from \$1.4994.

Yesterday's US payrolls data restored calm to currency markets after Thursday's strong growth figures pulled the dollar lower.

But it appeared to cause great confusion among currency analysts who sought to make sense of conflicting messages about the speed at which the US economy is now growing. The GDP data indicated

the economy grew at an annual rate of 2.8 per cent in the first quarter of the year, but the non-farm payroll figures showed employment rising by only 2,000 last month after large increases in previous months.

Government bond markets also reacted in a confused manner, rising strongly before giving up most of their gains later in the session.

Attention on the foreign exchanges this week is likely to revolve around German

unemployment figures, due on Monday. According to Mr Mark Cliffe, economist at HSBC Markets in London, the main market focus over coming weeks will continue to be the extent to which the D-Mark may weaken, given the different growth and interest rate outlooks in Germany and Japan.

The D-Mark and the dollar both came under pressure against the yen earlier this week on speculation that signs of stronger growth in Japan might trigger a rise in interest rates there. Meanwhile the

D-Mark has been troubled by signs of poor economic growth in Germany.

But following stronger than expected industrial production figures, some analysts think the unemployment data might signal more robust German growth.

Mr Steve Barrow, economist at Chase in London, said a large fall in unemployment would indicate that the Bundesbank might not be in such a hurry to cut interest rates as the market had anticipated, thus underpinning the D-Mark.

Table of closing mid-point rates for various currencies including Europe, Asia, and Americas.

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Table of exchange cross rates for various currencies including Belgium, Denmark, France, Germany, Ireland, Italy, Netherlands, Portugal, Spain, Sweden, Switzerland, UK, Canada, US, Japan, and Korea.

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Table of D-Mark futures (DM 125,000 per DM) with columns for Open, Latest, Change, High, Low, Est. vol, and Open Int.

Table of Japanese yen futures (¥12.5 per ¥100) with columns for Open, Latest, Change, High, Low, Est. vol, and Open Int.

Table of Sterling futures (£50,000 per £) with columns for Open, Latest, Change, High, Low, Est. vol, and Open Int.

Table of London money rates including interbank sterling, sterling CDs, treasury bills, and bank bills.

Table of three-month sterling futures (Liffe) with columns for Open, Set price, Change, High, Low, Est. vol, and Open Int.

Table of three-month eurodollar futures (Liffe) with columns for Open, Set price, Change, High, Low, Est. vol, and Open Int.

Table of base lending rates for various banks including Adam & Company, Allied Bank, and others.

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WORLD INTEREST RATES

Table of money rates for various countries including Belgium, France, Germany, Ireland, Italy, Netherlands, Switzerland, and Japan.

Table of LIBOR FT London rates for various currencies including Interbank, US Dollar, and others.

Table of Euro currency interest rates for various countries including Belgium, Denmark, France, Germany, and others.

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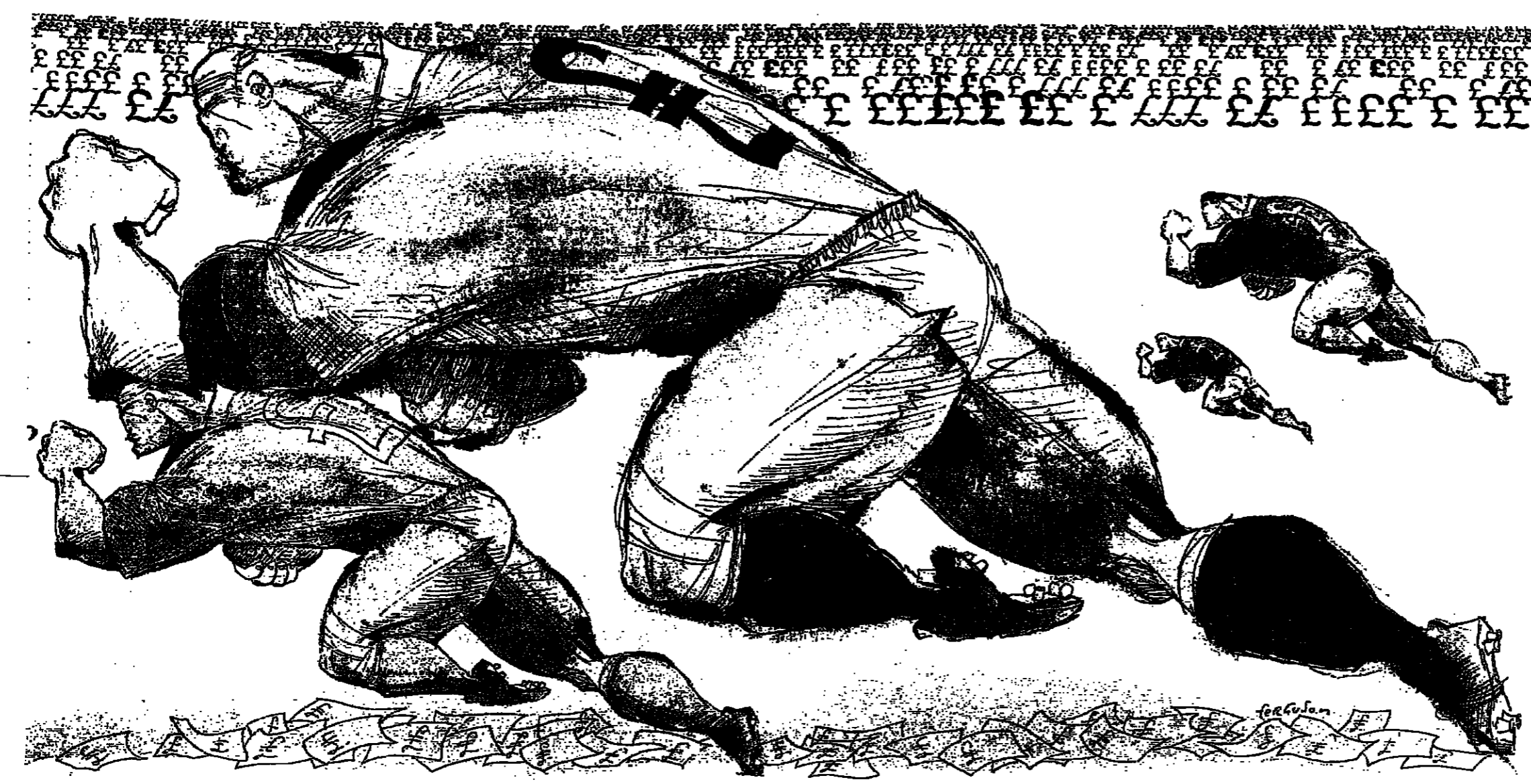
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Weekend FT



A primitive form of warfare

Yes, rugby union players do sometimes punch each other. But who cares? No one really minds provided that no one gets hurt.

It has always been a tough game, but now that it has gone professional the big punch-ups are taking place off the pitch. Now it is all about money: millions and millions.

The top clubs in England and Wales are fighting their unions which set their rules. And the unions are fighting each other; Wales, Scotland and Ireland are objecting to England's grab for a larger share of television income from the European Five Nations championship.

This is rugby's modern world - an era inaugurated on August 26 1995. On that day, the International Rugby Football Board dropped its ban on professionalism. It was a doctrinal shift comparable with that of the Roman Catholic Church in the 1960s when it dropped Latin.

The board's decision marked the final break with the gentlemanly roots of the game a century and a half ago. An inscription set in the old brick wall by the Close - Rugby School's main playing field - declares

that it started in 1823, when William Webb Ellis, "with a fine disregard for the rules of football", first picked up the ball and ran with it.

It is a romantic story but almost certainly false. The plaque was erected half a century later, after Webb Ellis's death. It is more likely a memorial to the first great battle over professionalism - between those who had codified the original Rugby Union rules and the competing claims of rugby league.

Old Rugbeians first developed the game at Cambridge university in the 1830s and 1840s. So when, in 1895, the league game broke away, the union faction created the plaque to establish the historical authenticity of its claims.

As old Rugbeians fanned out to administer the British empire, they took the game and its amateur tradition with them, particularly to white South Africa and New Zealand. In most of England, Ireland and Scotland, it remained the game of the upper and middle classes. However, in south Wales it became a more univer-

sal sport. South-west France is the most significant non-empire stronghold, while in the US the game mutated into American Football.

The amateur tradition gave rugby union a special appeal: the game for the game's sake. It may sometimes look like a primitive form of warfare but the visceral appeal of brute force, courage and strength conceals subtlety, complexity and deft handling. At its worst it can be a mud-spattered battle of attrition such as this season's clash between Scotland and England. But at its best, as played by New Zealand in the last World Cup and Neath or Sale in domestic competition, it is a game of pace, movement and creativity.

In Wales, Gwyn Thomas, the writer, once said rugby is more important than sensuality, rebellion and religious revival because it "is a distillation of the lot".

Rugby union took its decisive turn in the late 19th century; it resisted the pressures of professionalism as sports drew rising crowds and brought in players from

diverse social backgrounds. Soccer, faced with blatant rule-breaking over amateur status by its top clubs, surrendered in 1885. But when the leading north of England rugby clubs asked to compensate their players - many of them industrial workers - for lost income, the Rugby Union refused. The dissident clubs broke away to form what eventually became professional rugby league.

Union remained self-consciously amateur, its gentlemanly character defined by Michael Lord, a Conservative MP, a fierce critic of the move to professionalism, as: "Sport is not work. It is what you do when you finish work."

Union's clubs were controlled by members, who elected volunteer officials. Players were members, not employees. They elected their own captains, and were at liberty to miss matches or even change clubs as they wished.

Most matches were friendlies - the national cup competitions, the finals of which are played today at Twickenham and Cardiff, date back only to the early 1970s and leagues to

the 1980s. While national teams played every year in the European Five Nations championship, no trophy was awarded until 1994.

But that comfortable, unchanging world came under serious pressure from the 1960s on. Television gave international rugby serious popular appeal. Sponsors started to move in. Greater commitment was demanded of leading players and the introduction of leagues led to competition for top players and widespread allegations of payments. The Inland Revenue has been suspicious of players' real sources of income for some time.

The decisive blow to amateurism was the World Cup, first played in 1987. New Zealand, Australia and South Africa - the three winners so far - have been increasingly impatient of the regulations on amateurism and on the eve of the 1995 final concluded a \$530m television deal with Rupert Murdoch, the media tycoon. Top British players, confronted with the *de facto* professionalism of the southern hemisphere, argued

that they needed the same freedoms to compete effectively.

Now they have it. For most of Britain's and Ireland's 450,000 players this will make no difference at all. For example, Keith Flincher, captain of Woodford, an Essex club playing in a regional league, is in the top 5 per cent. But he says: "Nothing at all has changed for us, or is likely to change. The players here pay a \$55 annual subscription, \$5 per match and provide our own transport."

And anyone looking at the top level has to remember that professionalism is as much an attitude of mind as an economic status. Richard Moon, organiser of the Rugby Union Players' Association, says of his brother Rupert, who played for Wales: "The commitment top players had to give is such that your career inevitably came second."

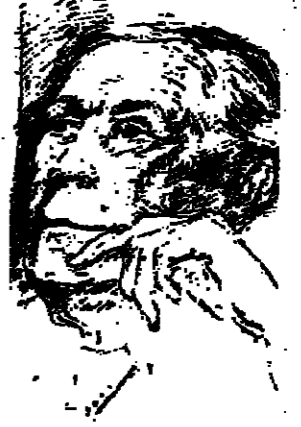
But for the tiny minority of top clubs and players and those who aspire to such status - perhaps 40 or so clubs and a little more than 1,000 players in England and Wales - rugby union now resembles nothing

so much as post-Soviet Russia, having shifted almost overnight from the constrictions of a wholly regulated system to having few rules, galloping inflation and a desperately uncertain future.

The speed of change can be gauged from the autobiography, completed last summer, of Jeremy Guscott, the Bath and England player. In his book, Guscott looked forward to the time when England internationals might earn £3,000 to £4,000 for a season of six or seven games. Now he and his England colleagues are making that much for a game.

This is expensive for the Rugby Football Union, but hardly ruinous. England can fill the 78,000-seat Twickenham stadium for almost any match. This is a monument to the commercial acumen of the officials whom England's depart-

CONTENTS



- Perspectives: A master forger and his pact with the devil III
- Fashions: Cool, crisp shirts with style IV
- Travel: How to get lost in Italy and beat the queues VI, VII
- Food: Edmund Penning-Rowlett on the pick of the 1995 red Bordeaux vintage XVI



- Sports: On-field heroes or marketing dreams? VIII
- Royalty: Queen Beatrix - a general manager in the reigning business XVII
- Books: Craig Raine on Nobel laureate Seamus Heaney XI
- Arts: XII
- Books: XIII
- Bridge, Chess, Crossword: XIV
- Collecting: XV
- Fashion: XVI
- Food & Drink: XVII
- Gardening: XVIII
- How To Spend It: XIX
- Motoring: XX
- Perspectives: XXI
- Property: XXII
- Small Businesses: XXIII
- Sport: XXIV
- Travel: XXV, XXVI
- TV & Radio: XXVII

Continued on Page IX



Joe Rogaly

Lest we forget John Major

The prime minister could prove to be the victim of malign events beyond his control

John Major may be ever in the headlines, but he is on the way to becoming yesterday's news. No, I am not about to curl the lip and sneer that the man who succeeded Margaret Thatcher as prime minister is, shall we say, an indecisive and uninspiring figure. That charred old chestnut is to be spared a further roasting this morning. It is, after all, Saturday. We should strive to enhance the weekend, to be the lead voices in a chorus of joy.

Some will cry hallelujah at the prospect of events sweeping Mr Major away. Not I. It is too soon for that. We should rather consider what his place in history might be. At present it looks shaky, but one spectacular achievement cannot be taken from him. He rescued the Conservatives after they ejected his predecessor in November 1990. In April 1992 he led them to a fourth election victory in a row. The popular vote for the Tories was greater than for any political party in any previous national contest.

Until very recently it was customary to add other sub-

headings to the chapter entitled "Major successes". Inflation has been brought low and held down. For a while at least the Northern Ireland peace initiative looked as if it might get somewhere. The Conservative party has not actually broken apart, not so far, in spite of the emergence of warring factions within its ranks. Britain retains its place in Europe and looks, or looked, set to remain there.

Every one of these prime ministerial "successes" might now be rubbed out by an unkind fate. Yes, 1992 is indelible, but a fifth Tory victory? Such a forecast would be an unsafe bet for which long odds should be demanded. Inflation? With Kenneth Clarke at his side and Eddie George looking on, Mr Major resisted the temptation to reflate his way out of political trouble, but today it is not certain that this steadfastness will last.

The peace process in Ulster may be unravelling. The original proposals drawn up by Mr Major and the then Irish prime minister, Albert Reynolds, constituted a bold attempt to end 25 years of violence. Future historians might ques-

tion the motives of the two leaders, but Messrs Reynolds and Major deserve the credit for the Anglo-Irish declaration. It offered Sinn Fein and the IRA a chance to solicit through the ballot box what bullets could never bring them: a pan-Irish administration.

Mistakes have been made, not least when Mr Major accepted the Ulster Unionist demand for a provincial election before peace talks begin. That was, however, a matter of tactics - understandable, perhaps, while the government depended on unionist votes in the Commons.

The broad strategy remains sound. Neither the Dublin nor the London government could invite Sinn Fein to negotiations in the absence of an IRA ceasefire. The unionists would not attend if they did. Both ministries are committed to the principle that the consent of the two Irish electorates, north and south, must be given for any constitutional change. If reason could solve problems, Ulster's troubles would be over. They are not.

As for Europe and the Conservative party the very use of

the word reason is a joke. Discontent among Tories is rendered incoherent by hot passion, wild speculation, angry ruminations, chauvinistic spluttering. Mr Major started his tenure of No.10 Downing Street with a promise to place Britain at the heart of Europe.

Discourse among Tories is rendered incoherent by hot passion

He remained true to the sense of that position, and has lately attempted to placate the growing band of anti-Europe Tories by adopting Gaullist language, speaking of a Europe of Nations. When was the European Union anything else?

If I had to hazard an explanation for the growth in Euroscepticism it would be that the loudest nationalist bombast comes from those who fear that Britain may be outsmarted. The ultra-sceptics are

nervous. Their inferiority complex expresses itself in impractical phrases such as "national sovereignty" and "go it alone", not to mention absurd phantasies like "federal superstate". Mr Major himself succumbed to this sense of weakness the other day when, according to one account, he referred to his fellow-Europeans as "shits".

It was, however, the bon mot of the season, a succinct reflection of Tory exasperation at the EU ban on British beef. It will assuredly be a footnote in histories composed in the next century. What might the text above say? That the government failed to foresee the political consequences of its announcement that there might be a link between infected cattle and a rare human disease. Reason led the Conservatives to assume that cautious scientists' cautious suggestions would be accepted by consumers. Judgment should have told them how wrong that would prove to be. The consequence is curious. The original fault lay in the government's handling of its announcement and its timorous set of proposed accompanying measures. When you are

selling something to eat, you must assure buyers that it will not kill them. The case for mass culling may not be scientifically demonstrable. Nothing is in this matter, since so little is known. The case rests on the need to restore confidence. Yet the blame for the destruction of the cattle industry is being laid on the European Commission.

I wonder. Could the EU beef ban be the final straw, the one that breaks the Conservative party in two? Listen to the Europhobes with one ear and the sensibly pro-European chancellor with the other and you cannot but conclude that the cement binding the Tories is weakening. The party might yet fall apart. It might be transformed into an aggressively anti-European, National Conservative party.

Such a monstrosity could consign the Tories to as many years of opposition as they have recently enjoyed in power. The good name of Mr Major, who has struggled to prevent such an outcome, would be the victim of malign events. His political epitaph might then read, "Sweet reason trampled down".



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PERSPECTIVES

A master forger and his pact with the devil

Robert Graham considers the life of Eric Hebborn, who faked Old Master paintings on a grand scale and made monkeys out of art 'experts'

Our old Eric Hebborn, the self-confessed art faker of the century. As his coffin was being slotted into the cemetery bank outside a village in the Abruzzi mountains, a Rome magistrate was saying his death was a case of homicide.

This was in January. Since then the magistrate has been noticeably silent. The affair seems to have reached that nebulous stage, familiar in so many Roman investigations, where a case once opened cannot be closed yet no one has the energy or the facts to take it forward.

The 61-year-old artist died from head injuries, but the murder theory looks flimsy. Hebborn was in poor health: he drank heavily and usually walked with a stick. Most probably he fell on slippery cobbles, and could even have been hit by a passing car or motorcycle as that part of Rome's Trastevere where he lived is hazardous for pedestrians.

Hebborn was undoubtedly guilty of deception on a grand scale. Nevertheless, he was an extraordinarily accomplished artist and deserved an end less sordid. No one before him has shown an ability to produce convincing work in the manner of so many different artists spanning so many centuries.

His liberating experience was being a scholar at the British School in Rome, just when the eternal city was embarked on the era of La Dolce Vita. The sensuality, the light, the sense of the antique and a passionate homosexual affair made Rome irresistible. After this, Hebborn had only a brief interval in London before returning to Rome and its environs which became his adopted home.

Although he regarded himself as a serious original artist and was particularly proud of his sculpture, his autobiography begins with a prologue recounting a tale of one Vincent Van Blank (sic) who is uncovered as having faked a Leonardo. Vincent then breaks down and confesses to a journalist: "Yes, I painted the Leonardo to avenge myself on the ignorant critics who failed to recognise my genius."

Much of what he subsequently recounts bears out the motivation of revenge. The Van Blank tale is also tantalising in the light of Hebborn's confession to a television crew that he completely "restored"



Above: Eric Hebborn on his own admission he off-loaded at least 1,000 of his "new Old Masters" on to the art market. Above right: Anthony Blunt, the former KGB spy, painted by Hebborn. Below right: An example of Hebborn's own style, "Head of Graham"

answer starts with a miserable childhood in London: a cruel mother, removed to foster homes eight and from then to foster homes until art school. Having had such an awful childhood, he was ready to embrace hedonism. His enormous facility for imitating Old Masters provided him almost immediately with the funds to enjoy himself: it was an easy pact with the Devil.

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the famous Leonardo cartoon bought from the Royal Academy by the National Gallery in London. From the outset the commercial side of his activity loomed large. He dealt in prints and drawings under the name of Pannini Galleries, first in London and then Rome. The more he discovered he could pass off his "mischief", the more he became addicted to his chosen trade. He set himself high stan-

ards. His basic rules were: sell only to experts or those buying on expert advice; charge no higher price than one's own work unless the buyer established the price; never hurry experts into an opinion.

Unlike previous fakers, Hebborn understood the importance of attribution and the vanity of experts. He provided the clues, including faked inscriptions and forged collectors' marks; but he let the experts decide. He even left a "Corot" drawing with Colnaghi's for more than three weeks for their experts to study

(and accept). These procedures conveniently saved him from classification as an outright criminal. In artistic terms, Hebborn got away with this because he really knew the artists he was imitating. He challenged Bernard Berenson's view that a forger always betrayed certain contemporary mannerisms; and that he could never penetrate the artist's mind and world. He would study drawings exhaustively and then produce a "development". Thus, in one sense, his work was always original.

Indeed, he convinced himself there was no such thing as a fake, merely a fake label, that is a Corot instead of a Hebborn. The exhibition staged by the British Museum on fakes was entitled 'Fakes? he observed. He further rationalised his activity by the knowledge that great painters whom he admired, such as Michelangelo, had also copied. Vasari says Michelangelo had even kept the originals and given away his copies.

Hebborn regarded creating "in the manner of" an intellectual and artistic challenge. One of his prized possessions was a Bassano fragment of "the animals entering the ark". To this fragment he added, after scrupulous study, what he imagined should have been the remainder of the canvas. The sole give-away was an impish monkey in a corner to remind the cognoscenti of Hebborn's monkey-business.

Since the experts earned their liv-

ing distinguishing the genuine from the fake, Hebborn believed he was entitled to pit his wits against theirs. The villains were not the experts, for whom he had a soft spot, but the dealers.

For all his talent, his self-justification and generosity with friends, however, one cannot obscure the fact that he deliberately deceived people who trusted him. His friendship with Anthony Blunt, keeper of the Queen's pictures with whom he stayed when in London, lent him an aura of credibility.

In spite of being unmasked at the end of the 1970s, Hebborn continued his new Old Masters for another decade relying on unscrupulous middle-men. But his autobiography was for him an attempt, albeit boastful, at catharsis.

He then sought belatedly to return to original work but he discovered that he had imitated others for so long that he had no firm style of his own. He was thus left with a return to the label of faker and produced last year *The Faker's Handbook* for an Italian publisher - an exercise as legitimate, he mused, as Pavarotti passing on the secrets of his trade to aspiring opera singers.

Yet whatever his nemesis, Hebborn cared deeply about art. No matter how many red faces he left among the experts, many of his falsifications were so intelligently conceived that they contribute to - rather than detract from - the study of the artists concerned.



Above right: Anthony Blunt, the former KGB spy, painted by Hebborn.



Below right: An example of Hebborn's own style, "Head of Graham"

Citizens who are failing to be paragons of virtue

Edward Luce on attempts to alter Singaporeans' 'Stone Age behaviour'

William Gibson, an American writer, once compared Singapore to "Disneyland with a death penalty". In the light of the government's decision to promote "gracious living" in Singapore, the author's remark might strike outsiders as prescient.

The latest morality campaign, which, it is thought, will get into full swing later this year, follows hard on the heels of a string of publicity drives Singaporeans have been bombarded with since independence.

Singaporeans have been exhorted to smile more, litter less, show more courtesy to strangers, give up smoking, combat obesity among children, eat less at buffet lunches and, most consistently of all, promote caring family values.

Passengers on Singapore's underground are confronted with billboards of couples gazing lovingly into each other's eyes, families sharing a joke with intimate togetherness and healthy schoolchildren beaming vacuously at the world. Television ensures that Singaporeans do not forget the message once home.

Da and Daryl are then petted by their loving parents and encouraged to draw up a list of family duties. The adoring children colour in the phrase: "Be there whenever Mum needs us and obey her always."

Dr Chee Soon Juan, an opposition member of parliament who was dismissed for incompetence from his position as psychology lecturer at the University of Singapore shortly after being elected in 1992, says that the government is barking up the wrong tree.

A brief flick through the government's annual Marriages and Divorces handbook suggests that moral marketing might not be as effective as others claim. According to government statistics the divorce rate has almost doubled since 1980 to around 10 per cent of marriages. Although it has dropped slightly since 1990 the trend suggests that even the slickest publicity drive cannot prevent a bad marriage from disintegrating.

George Yeo, Singapore's minister for information and arts, makes it clear that he has had his fill of such scepticism. The splintering of the western family leaves the government in no doubt that it is right to encourage Singaporean society to strengthen its moral values.

"Within a generation things in the west have declined," said Yeo. "Many in Singapore wish Britain [could still be] what it was in the 1940s and the 1950s - a more honest society."

Singapore is so worried by bad behaviour that politicians have said the state cannot call itself fully developed

Singapore, he continued, cannot afford to drop its guard for a moment. "Like the weeds in any garden there is no day when you can rest. It's just part of the landscape," he said.

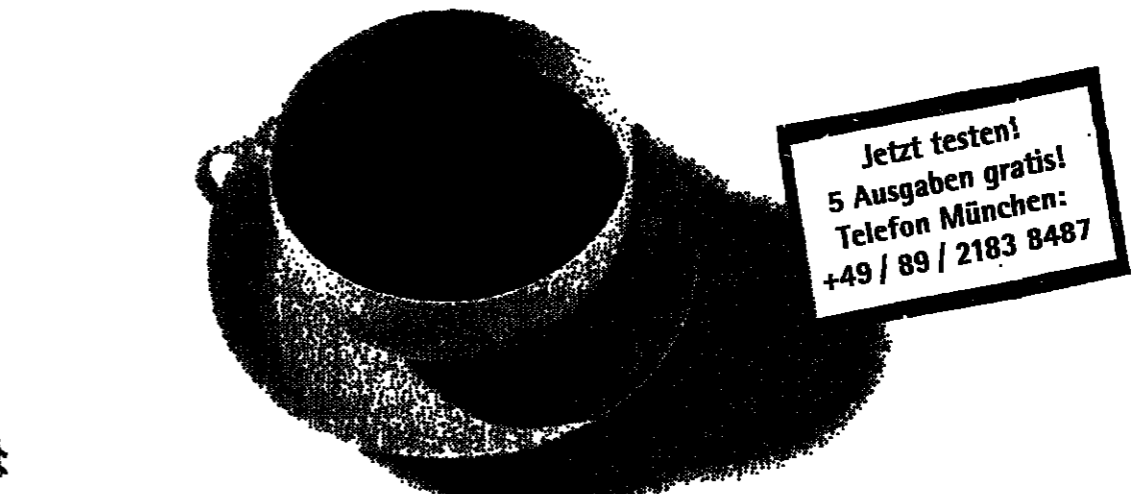
One weed which has been causing particular concern to the island state's eagle-eyed elite recently is the population's lack of "graciousness". So worried is the Singapore government by the public's tendency to be uncouth that politicians have denied the island state the right to call itself fully developed.

Back at the typical Singaporean home, family values appear to be strengthening rapidly. The birth of a third child, Veronica, has brought the members closer than ever before. Mum and dad have decided to reward the children for behaving in an exemplary manner while mother was in hospital.

"I think the campaigns are quite effective," said one PR consultant. "We cannot afford to be complacent." Back at the typical Singaporean home, family values appear to be strengthening rapidly. The birth of a third child, Veronica, has brought the members closer than ever before. Mum and dad have decided to reward the children for behaving in an exemplary manner while mother was in hospital.

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FASHION



This season the shirt becomes an entirely glamorous entity

Crisp rather than sweet, and definitely not a blouse, the shirt has usurped the twinset and taken the place of a jacket. **Karen Wheeler reports**

This summer, the shirt is not just a sober item to be worn under a tailored suit to the office. Ever since Gucci showed slim-fitting, 1970s style shirts in teal blue satin over velvet hipsters last season, the shirt has become a big fashion statement.

Worn over narrow trousers or an A-line skirt for day, reworked in lace, iridescent

organza or stretch satin for evening, the shirt is the cornerstone of summer's fashionably simple look.

It has certainly usurped the cropped twinset as the thing to wear with capri pants; and in some cases is even asserting itself as a more comfortable, hot weather alternative to the tailored jacket.

The key thing to note is that this season's shirt is crisp rather than sweet - with clean

lines and a neat, pointed collar rather than foppish flounces, ple-frill necklines or Peter Pan collars. It should not be confused with the knitted cotton polo shirt which is undergoing a revival. Nor is it to be mistaken for the baggy, oversized shirt, for long a favourite over jeans or leggings.

This shirt is an altogether more glamorous entity. It comes in striking colours and interesting fabrics and textures. Fitted and body-hugging (to the point of looking shrunken), it is cut narrow around the shoulders and is flattering to women of all ages.

Ideally, it should be worn with the top two buttons undone and, if not a hint of



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Do not turn your nose up at man-made fibres; an obviously polyester shirt is perfectly acceptable

cleavage, at least a glimpse of collarbone.

The fitted shirt is not as impractical or as uncomfortable as it sounds. Thanks to the addition of that magical ingredient Lycra, it does not constrict or inhibit movement.

These skinny fitting styles tuck under the waistbands of trousers or skirts, sit neatly under jackets and allow you to move freely.

Stretch silk satin or cotton are the most popular fabrics, closely followed by silk jersey or shantung. (Incidentally, this is no time to turn your nose up at man-made fibres; synthetics are big fashion news and an obviously polyester shirt is now considered perfectly acceptable.)

At Equipment, the fashionable London shirt emporium - where you can currently find everything from shirts in vibrantly coloured satins to intensely coloured floral prints - there has been a substantial increase in sales in the past few months. (Note that even something in delicate floral chiffon is now referred to as a shirt. The word blouse has fallen from favour and is used only by Marks and Spencer.)

In recent seasons, the shirt has been overshadowed by the popularity of knitwear - in particular the twinset - and the close-fitting jacket.

So it is significant that Equipment is once again buzzing with customers. Whereas before, people mixed and matched with their existing wardrobe, they now just buy a shirt (or shirts) for the sake of it - "as a single statement, as opposed to something to coordinate with a whole wardrobe," reports owner Joseph Ettegdul.

The best-sellers are fitted silk-jersey shirts which come in a variety of colours and styles - in particular a short-sleeved shirt with breast pockets and epaulettes. Younger customers are wearing their shirts tight and fitted in silk-jersey, whereas older Equipment customers will buy the classic silk shirts "which are generally a looser cut anyway", says Ettegdul.

While the brightly coloured, slim fit shirt is at the forefront of the shirt revival, it is not by any means the only style that is fashionable. This season they range from mannish short-sleeved military styles to the overtly feminine. Cropped, short-sleeved, 1950s styles with neat collars in gingham checks or splashy florals are also very popular.

Although much depends on the style, the appeal of the shirt is that it is extremely versatile and can be worn in a number of ways. The cropped, short-sleeved shirt could quite easily be layered over a shift dress or a shell top instead of a jacket. It covers up bare shoulders (still frowned upon in most offices), can look quite business-like but is infinitely more comfortable than a tailored jacket.

MaxMara's short-sleeved shirt in soft suede, for example, lends itself very well to this, while Nicole Farhi's luxurious, copper-coloured, Madras check silk shirt can be worn buttoned up over capri pants or white jeans for a casual look but is a dressier option when worn open over her henna-coloured, crinkle column dress.

The impact of the shirt often lies in the simplicity of the look. What could be more pared down and perfect, for example, than Jil Sander's crisp black cotton shirt, sleeves rolled up above the elbow, several top buttons undone and tucked neatly into the waist-

band of a straight, white leather skirt?

Plain, fly-fronted styles also suit the mood of modern minimalism. Accordingly, although Thomas Pink insists that its woman's cotton shirt is aimed at a traditional office-wear market, the fly-fronted style, with or without double cuffs, suddenly looks very fashionable indeed.

For a more casual look, the shirt knotted at the waist with capri pants or side-zipped, slim trousers also looks good. Against black or white, the effect of a plain coloured shirt in icy green, lilac, bluebell, or pink looks really crisp and clean. The Gap, for example, has fitted, short-sleeved shirts in apple green, hot pink or turquoise cotton which are very good value at £21.

Although for now the shirt revival relies on fabric and colour, next to come is the introduction of print.

Gingham checks are already popular, as are multi-coloured candy stripes. Gucci has followed up its successful plain satin shirt with a silk chiffon design boldly printed with

paintbrush stripes, and high street stores have followed suit. Warehouse, for example, has a similar striped design in stretch satin at £34.99.

While garish 1970s-inspired patterned shirts in synthetic fabrics are most likely to appeal to the very young and super hip, there is a growing trend for intensely coloured floral prints are about to become very fashionable, and will appeal to women of all ages.

Many of the best designs can be found at Equipment for more than £100. Italian designer Uberta Camerana's long, fitted silk dupion shirt (£199) available from Joseph is expensive but very flattering over slim capri pants.

On the high street, M&S has some very good designs but these are hidden among a sea of less fashionable blouses and have to be carefully selected. A simple, cropped matt jersey shirt is available in a variety of sherbert colours (£25); there are military style shirts in washed cotton (£21); and a version of Prada's silk shantung shirt in polyester shantung.

Whistles' long-sleeved shirt in lavender satin (£96) is exquisite, while Jigsaw has fitted shirts in menswear-inspired fabrics, ranging from bold stripes to subtle checks, ginghams and crisp white poplins. Its masculine stripey blue shirts (£49.95) look crisp and stylish under navy tailoring. Karen Millen has lace shirts and interesting wallpaper prints in super stretchy cotton/Lycra, while Agnes B's pink rose-printed cotton shirt (£65) is exceptionally pretty.

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HOW TO SPEND IT

The sweet smell of an event

Lucia van der Post reports on the launch of Allure, by Chanel, and finds it lives up to the hype

A new perfume from Chanel is always an event. Chanel, after all, is the house that first exploited the happy and profitable symbiosis between fashion and perfume.

Now that perfume is such an established part of most women's lives it is strange to be reminded that when Gabrielle Chanel launched Chanel No.5 in 1921 it was then a radical and revolutionary move.

Until then, although scents were much in favour, the choice lay between a single floral note or combinations of florals. These faded quickly so the fashionable set tended to douse themselves at the beginning of the day or evening in order that there would still be some scent remaining by the end.

Edmonde Charles-Roux in her biography of Coco Chanel quotes from one of them: "The duc de Mouchy was our nearest neighbor. I always knew when he had walked past on the pavement, because he left it reeking..."

Coco changed all that. When she and Ernest Beaux, the "nose" in "nose Grasse laboratories Chanel No.5 was perfected, developed the perfume, they discovered that by

creating a stable formula with the addition of formaldehyde, smaller amounts of it would do. At the same time the complexity of the formula made it mysterious - nobody could quite put their finger on what it was made of.

In addition, Coco, with her intuitive feel for the shift in the zeitgeist that was in the air, delivered this complex, mysterious smell in a graphically simple bottle and gave it a simple numerical name. Overnight Chanel No.5 gave the old powerful floral scents and their elaborate containers "the dishonouring stigma of the outmoded".

Today, Chanel is one of only three houses (Guerlain and Jean Patou are the other two) which develops its own perfumes and has its own "nose". All other houses, because of the economic disasters with which olfactory history is littered, use outside perfume-developing houses and employ a freelance "nose".

Chanel's four leading perfumes (No.5, No.19, Coco and Cristalle) and four small, special ones (Bois



Coco Chanel would have approved

des Iles, No.22, Gardenia and Cuir de Russie) that are sold only in its own boutiques, account for about half of Chanel's world-wide profits. Part of the reason for the house's

almost golden touch with perfumes may be that it does not go in for frequent launches - Coco, the last new fragrance to be launched, hit the counters in 1984 - and it is only



Keeping it simple: Allure

now, 12 years later, that it is launching Allure, its perfume for the year 2000.

Those unused to the marketing necessities of the perfume world

might assume that what matters most is whether it smells attractive. But you would assume wrong. Concepts, marketing plans, names, market researchers, notions of composite contemporary women - this is where perfumes begin and Allure is no exception.

For Jacques Polge, the resident Chanel "nose" it began with a dream, which he shared with Jacques Helien, Chanel's resident designer, or "eyes". In the dream, Polge dreamt of someone who "was more than just a woman, and slightly I don't yet know her I'm already crazy about her. She is the very essence of woman, the woman who attracts all eyes, makes all hearts beat faster, the kind of woman a man never forgets."

Conveniently for Chanel, Helien responded appropriately. "Allure? Mademoiselle Chanel would have loved that. Allure was her ideal, perfect seduction, free from pretension, elegance, free from the dictates of fashion and society."

He has doubts that something so mysterious, seductive and elusive can be bottled but Polge sees it as his task to bring it off.

Of course, Chanel is telling us all this, not because it thinks we have a deep interest in Polge's dreams but because it is doing what perfume houses all around the world have to do to sell thousands of bottles of liquid gold - creating an image that will be strong enough, beguiling enough, contemporary enough, to impel the woman in search of a new fragrance to reach for the Chanel bottle, rather than its equally carefully hyped rival.

Though marketing companies seem convinced that when it comes to selling scent image is what matters, some of us are old-fashioned enough to make our choices on the grounds of whether we like the smell or not.

Allure, it has to be said, smells wonderful. It is rich, mysterious, slightly spicy. In olfactory terms, it seems Allure has broken new ground.

Whereas classically French perfumes consist of top, middle and base notes, Allure is composed of six equal notes that overlap and mingle with no single essence, spice or scent dominating the others. Like most of Chanel's scent it comes in a simple, clear glass bottle adorned with the famously simple lettering.

It goes on sale in good department stores all around the country from May 20 and prices start at £22 for 50ml of eau de toilette.

Uncommon scents

Lucia van der Post follows her nose to report on a fragrant venture

Not so long ago Jo Malone was one of London's best-kept secrets. She looked after the skin, offered the treatments, put together the lotions and potions that perfumed and massaged some of the most famous faces in the world. Queens and Princesses, actors and actresses, and countless other women who heard of her treatments flocked to her small salon in Chelsea to put their skins and faces in Malone's tender hands.*

All Malone's creams and oils, lotions and fragrances were developed by her and as a steady stream of her customers began to ask to buy them to take home a new business grew - the development of complete skin-care and fragrance ranges.

Last year she finally opened her own shop at 154, Walton Street in London's Brompton Cross - a jewel of a shop, exquisitely fragrant, in which advice is dispensed and all her products can be bought.

Next week Jo Malone launches another service which will be welcomed by those who have become addicted to her products (the nutmeg and ginger seems particularly to attract fans - possibly because there is nothing else quite like it on the market at all).

The new service is a send-a-scent-direct service. The idea is that those who send flowers or

chocolates as birthday, anniversary or thank you presents might like to consider the option of sending something fragrant instead.

What could be a nicer thank you after a weekend in the country than a bottle of Malone's linen spray? At £22.50 for 100ml it is a terrific present and lasts longer than either flowers or chocolates.

One of Malone's more romantically inclined clients gave the object of his affections an initial present of some of the lotions at Christmas. He then arranged that on the first day of each month for a year she would receive another of the products. This is the kind of service the shop offers.

It is as easy to organise as flowers. Simply ring 0171-720 0202 and ask for a brochure which lists all the fragrances as well as the skin-care products. Telephone the same number to order. Prices for sending are identical to the list price but there is an additional £5 sending fee in the UK. To send abroad, the price will be quoted individually.

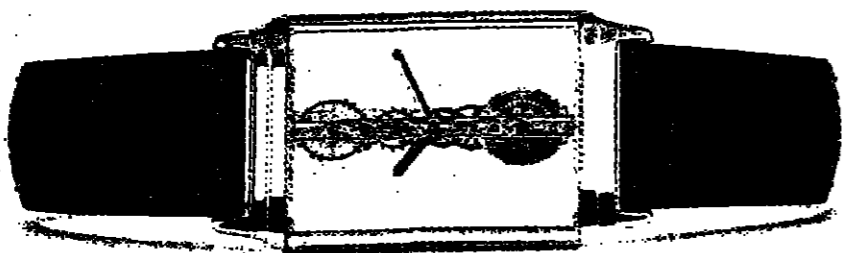
* Demand is so great that Malone regrets that she can take on no new personal clients.

■ Sketched here from left to right, are some of Jo Malone's products: 200ml bottle of lime, basil and mandarin bath oil, £42; mimosa scented candle, £22; and 100ml of linen spray, £22.50.

□ Illustration: Brian Poole



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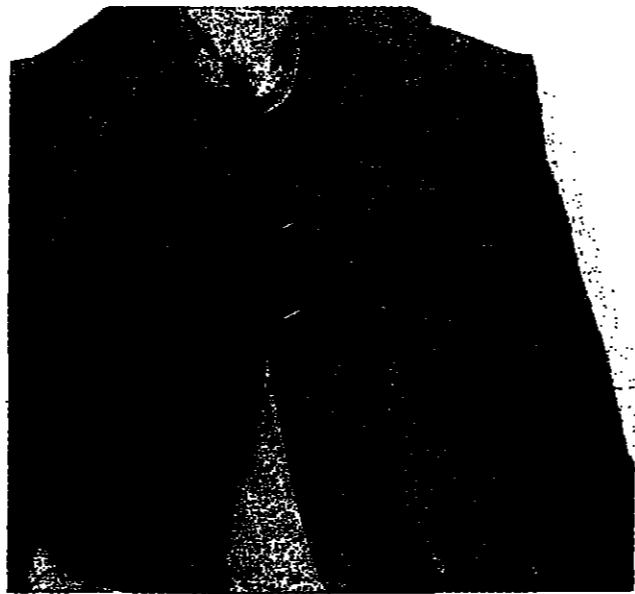


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Gandhi's inspiration



From the Egg collection

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It was an inspired move, offering the combination of a moral and a commercial purpose and to this day it is on sale in every hue and colour at astonishingly low prices.

Now Egg, Maureen Doherty's idiosyncratic shop at 36 Kinnerton Street, London SW1X 8ES, is selling a collection of traditionally inspired Khadi clothes. Perfect for summer there are jackets, waistcoats, dresses and trousers, all hand-dyed in small batches, some in bold bright colours (as here), others in more sophisticated neutrals. Prices start at £50.

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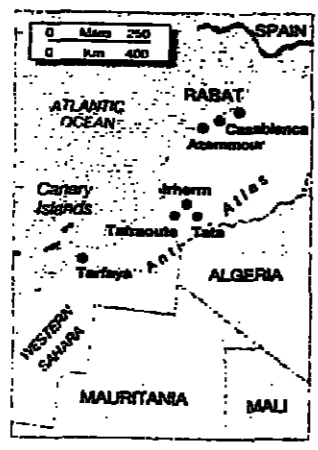
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TRAVEL

Next stop, the Sahara Desert

Nicholas Woodworth in the footsteps of Beau Geste

Travelling through the hot, rocky land between the mountains of the Atlas and the Sahara Desert, I started reading P.C. Wren's Beau Geste. An improbable tale of the Foreign Legion, it is a cracker of a story, if you go in for such things as sandstorms, fatigue, fever, desert bloodshed, mindless gallantry and various other excesses of adolescent literature from the imperial age.



blue veils and robes who trail after tourists in the streets of Tafraoute really Touaregs? I doubt it - desert bandits have more dignity. Where, I wondered, pouring over a map after a pesky evening, could I find a desert refuge where I did not need the loopholes of a mud fort to gaze out from?

The Touareg used to put travellers to the sword. These days it is worse

Adjutant Lejaune sounded like a Club Med social director from hell, and I was glad I had not come to tour southern Morocco with the Legion. But now, sitting besieged in my airless hotel room in Tafraoute, I began to feel like Beau Geste's heroes. I, too, was suffering a little from the dreaded *cafard*.

It was not the accommodation that was fraying my nerves. It was not the heat. It was not even the endless plates of cous-cous. It was, in the best Beau Geste tradition, the waiting Touaregs outside. Travel where you will in this part of the world: wherever the Michelin Guide has awarded a star or two, and wherever the visitors - mostly French - arrive in tour buses, there the Blue Men of the Desert, the Forgotten of Allah, wait in silent ambush.

town of Tata. It is not given a star in the Michelin Guide. It is not even listed. It seemed a good place to head for.

As the proverbial crow flies, Tata lies only 90km east of the spectacular red rock mountain bowl of Tafraoute. But as the rented Fiat Uno bumps and scrapes, it is a great deal further, so rugged is the terrain in the Anti-Atlas, so poor some of its tracks, that I ended up having to zig-zag my way across the range twice.

I did not regret it, for this is a breathtaking land. From Tafraoute the road wound its precarious way through the valleys of the Ameln tribe, Berbers who have transformed their homes into red ochre fortresses and their rocky hill-sides into terraced, irrigated

gardens. For all their spare and serene beauty, these valleys might be Oriental wood-cuts. But the Ameln are more than farmers. Renowned for their commercial acuity, they leave their women to the back-breaking drudgery of the fields, and take to the cities of the north. Half the corner *epicerie* shops of Paris are run by Ameln.

I was not unhappy with this arrangement. Free of the overbearing gaze of their menfolk, Ameln women are, behind their veils, some of the most spontaneously friendly and cheerful people around. Anyone who thinks it is easy smiling and waving at strangers in cars when bent double by the roadside under vast loads of wood or water should try it.

At Iherm, 6,000ft high on the Anti-Atlas watershed, I entered a dramatically different desert countryside. Rainfall on the southern slopes of the range is scant, and desert life took over. Camels replaced women as beasts of burden. Like chocolate layer cake, the mountain-sides became bare, rich brown stratified layers without cover. Deep in wadis and riverbeds, long slashes of green - linear fields close to underground streams - were the only bursts of bright colour.

It was dark by the time I emerged from the mountains and pulled up outside the Hotel de la Renaissance in Tata. An unlikely speck of northern civilisation in a far-flung desert town, it boasted a framed "Mona Lisa" and a Florentine cherub on the wall above the bar. On the bar itself stood a bottle of pestis. And behind, standing ready to greet and pour, was the Renaissance's smiling, congenial proprietor, Belkassan Belkassan.

I took to him immediately. Belkassan has had a life as exotic as any French Legionnaire's. After smuggling himself into wartime Marseilles as a 16-year-old stowaway, he spent 40 years working in the shadowy *demimonde* of cabarets, dance halls and other questionable establishments across Europe. Inventing as it all was, Belkassan said, the



On the frontier: Tata, an 'unlikely speck of civilisation' in a far-flung desert land

desert is a healthier place. He has come back for the pure, clean desert air of his childhood. Tata, he said, is a good place to relax.

So it seemed to me. In Tata, last stop before the empty Sahara, a frontier atmosphere reigns, but of blue-veiled Touaregs there was not a sign. I spent the better part of the day, as most of the citizens of Tata do, in a somnolent heat-struck daze at the cafe tables under the shady arches of the town's main street.

In the hot part of the year temperatures here push 50°C, and no one does anything. In the least hot part no one does a great deal more. I drank coffee. I chatted with my neighbours. I gazed at Tata's curious thick-walled, pink-toned buildings, blinding in the sun. I watched chess games at neighbouring tables. I swished flies. I ate cous-cous. At no time was there any hint of a guided visit to the local sights. And so I decided to see them. At about five o'clock, when the

shops began to open and the streets to fill with the long robes and turbans of Berber and Bedouin, I made my way out of town and crossed a deep, stoney wadi to Agadir Lenays. Tata is an administrative town, and feels very old. Agadir Lenays is an oasis village, and feels very old indeed. Constructed on an inclined rock face of stone and mud and tree trunks, much of it must be negotiated through a labyrinth of eerie, dark, covered passageways - a desert architecture

conceived with blazing temperatures in mind. When I emerged, somewhat gratefully, at a Moslem shrine at the top of the village, I looked out over the vast date-palm oasis, a dark green lake bordered by lifeless, endless sand, that makes existence here possible. What calm serenity pervaded the feathery canopy of that oasis. Beneath it, in a cool and dreamy atmosphere of underwater green, figs and wheat and olives grew; children ran

along earthen paths worn down by bare feet; women, veils down and chattering happily, washed clothes by streams of clear running water. I walked on through the palms, following a web of tiny irrigation waterways until I was hopelessly lost and quite happy about it. P.C. Wren seemed far away. For the time being, at least, *le cafard* - heat and sandstorms, mad adjutants and men in blue veils - hardly mattered at all.

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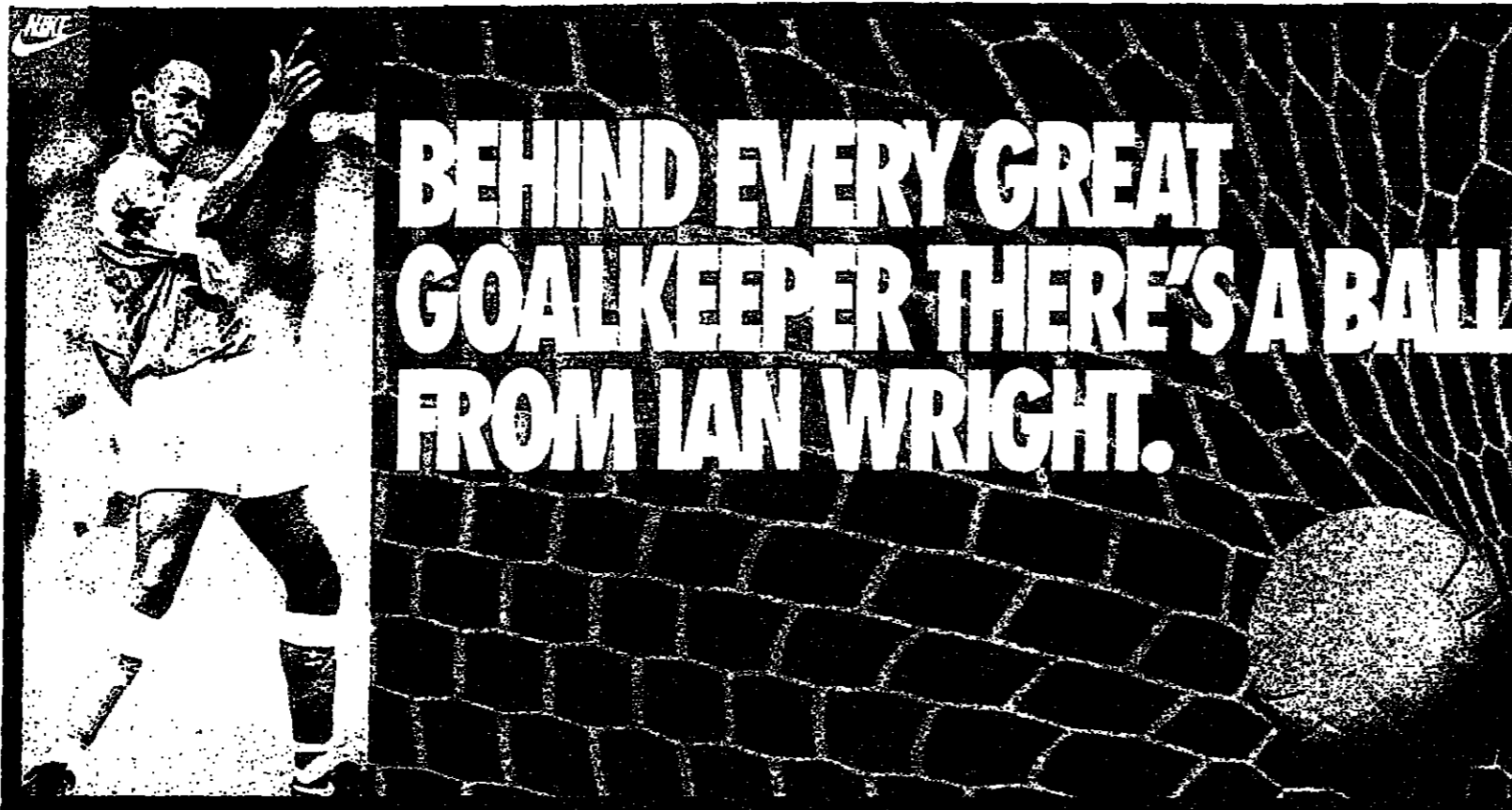
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SPORT

The world doesn't need another hero

Michael Carlson thinks Britain's sports stars have a long way to go before they are marketed as excruciatingly as America's



Wear Ian Wright's boots, be Ian Wright: the marketing of a modern sports star

Photographs: Advertising Archives

Once, a British sportsman's universe extended only to the boundaries of the playing field. His kit never changed, he earned a working man's wage, and he mumbled humble homilies only when asked. Fans followed their heroes through newspapers and radio, collected trading cards or stickers; only the lucky saw them at the ground. Sport had its place, after work on Saturday afternoon. Things were different in America. Just as Daniel Boone's exploits sold land in Kentucky, or Buffalo Bill's sold Wild West show tickets, sportsmen were quickly being sold. Babe Ruth played himself in a film in 1923. During the Depression, Ruth held out for \$80,000 a season. Someone pointed out that that was more than President Hoover made. "I had a better year than he did," said the Babe. The club system, either relentlessly amateur or ruthlessly owner/worker in structure, insulated British sportsmen from the outside world. No American hero could ever be referred to as a "servant of his club".

plained in an interview that clubs' total control of football was strong enough to keep the tentacles of his International Management Group out, because there was no way to promote players. Now IMG is signing footballers, and has made a multi-billion dollar bid for all-rights to the World Cup. Television played a big role in breaking the hermetically sealed world of sports. It pushed sportsmen into the living room, and even popularised new sports. Gridiron and sumo rode the wave of the yuppie 1980s to popularity. Italian and fantasy football followed in the 1990s. Today, Channel 4 has posters of basketball star Dennis Rodman and his bright green hair all over London. You cannot see Rodman's tattoos, his body-piercing and his *outré* lifestyle, including one season as Madonna's consort. Sports Illustrated, the US magazine, illustrated a cover story on Rodman with photographs that echoed Helmut Newton. Rodman discussed at length his desire to explore his sexuality. The player they call "The Worm" led the NBA in rebounding for four of the past five seasons, yet he has not played in its All-Star Game since 1992. This irritates Nike, which provides shoes for Rodman to endorse. Its full-page newspaper advertisement during the All-Star Weekend in San Antonio looked like something from the Saatchi Collection: totally blank except for two words in small print. "Where's Dennis?"

Adversity may bring out nobility, but it cannot make a man noble. Thus stars are heroes only until they start thinking of themselves as such. Attempt to transcend your place and you become a class traitor. But marketing exists to change the way you think you are. Wear footballer Ian Wright's boots, be Ian Wright. When Reebok signed soccer talent Ryan Giggs, they saw a unique football talent, but also an attractive teenager whose image could be moulded. Will they "position" Giggs with a media-friendly personality, or be content to take their chances with the run of play? It is a far cry from Dennis Compton endorsing Brylcreem. A sportsman turned celebrity can be sold forever. Pete Rose may be banned from baseball's Hall of Fame because he bet on his team's games, but he makes a comfortable living selling his autobiography. Charles Barkley, the larger-than-life US basketball star, tells parents he is not supposed to be a role model for their kids. The same parents rush to buy their kids Barkley's Phoenix Suns jersey. Contrast this with former Olympic decathlete Daley Thompson. Attractive, well-spoken, world champion: if Daley were an American he would be doing movies with Leslie Nielsen. But a wisecrack about the Princess Royal here, confidence turning to arrogance there, and Thompson became a tabloid dashboard. Daley's insouciance would not matter today. Do not tell the Eurosceptics, but according to one poll of 11- to 19-year-olds, Britain's most popular sportsman is French soccer player Eric Cantona. The poet of seagulls and trawlers might seem too Gallic in his petulance, but he brings "attitude to the game": this is a quality once prized more in rock stars than footballers. Anyone can understand attitude. Gazza's tears, Prince Naseem's Technicolor shorts, even Vinnie Jones's forehead - these are things that are recognisable, and can be marketed. Before you reach for the Prozac, rest assured that Cantona was followed by racing driver Damon Hill, Giggs and boxer Frank Bruno. The "attitudinising" of British sport is not yet complete. Baseball writer Bill James once watched the antics of "Neon" Deion Sanders, aka "Prime Time", and asked rhetorically: "Does his persona actually appeal to anyone, or do you think he just gets advertising dollars because the world is screwed up?" He's right.

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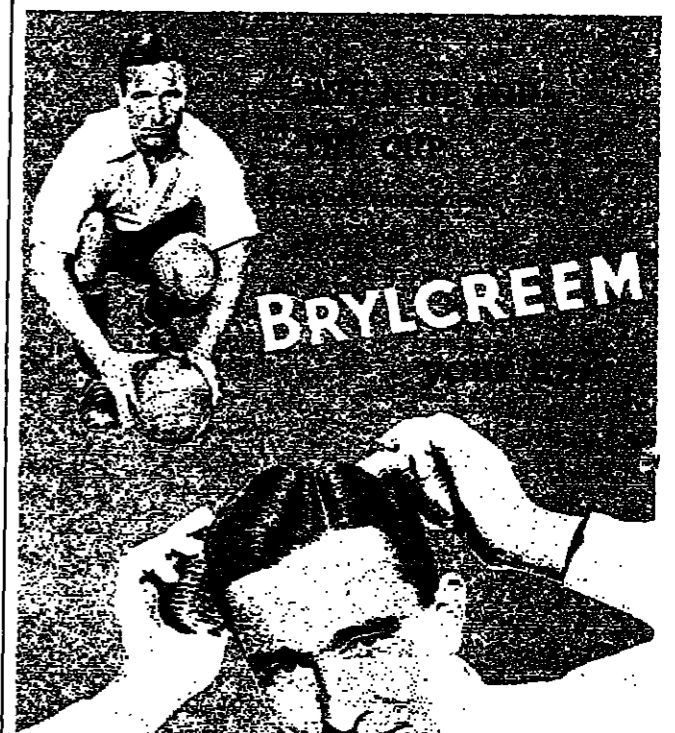
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Another era: Dennis Compton endorsing Brylcreem



Teamwork: boxer Henry Cooper and footballer Kevin Keegan used to concentrate on Burt strength

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MOTORING

Car for all seasons

Stuart Marshall on the vehicle which changed a brand image

Safe, reliable, sluggish and boring. That, according to Volvo, is what potential buyers in many markets - Britain included - used to think about its cars. Having driven them for thousands of kilometres in Lapland in midwinter, and seen how well they performed in dreadful conditions, I have always taken a more charitable view. But never mind. Volvo cars no longer have an elderly, cocoa-at-bedtime image. The car that has changed everything is the front-wheel driven, five-cylinder engine 850, launched five years ago. An instant success, it revolutionised motorists' perceptions of the marque and has proved to be the best thing Volvo has made. Volvo calls the 850 a car for



Volvo 850 AWD. A luxurious turbocharged estate car with all-wheel drive

850's sprightliness had not been achieved by sacrificing its armour plated crash survivability. In the last six years the 850 has become Volvo's big volume car. It is manufactured in Belgium and Canada as well as Sweden. Variants have included cheaper versions with 10-valve engines, estate cars and very high performance models with twice the power of the original 850.

Last week in Sweden I tried the two latest; a four-wheel driven 850 estate with a mildly turbocharged petrol engine, and a direct-injection turbodiesel with automatic transmission. The two-pedal 850TDI was everything a diesel executive car should be - refined, relaxingly easy to drive and extremely muscular. High gearing gives it the economy potential of a small family car.

Its 5-cylinder engine, bought in from Audi, puts out 140 horsepower and has so much low-speed torque (pulling power) that the automatic transmission - also used on the petrol engine 850s - has been reinforced. Rewardingly quick off the mark, the 0-100 to 100kph time is 10.7 seconds and it also responds rapidly for overtaking. Prices start from £22,550 (saloon) and £23,550 (estate).

For a go-faster driver (no, not me) Sweden must be a frustrating country. Away from the cities, the smoothly surfaced main roads run through endless forests of pine and birch. By the standards of south-east England, they are virtually traffic free. But the speed limits are low, the ditches on either side of the tarmac are deep and monster elk occasionally emerge from the trees.

Volvo says the 850TDI is good for 195kph (121mph) and the much more powerful, low-pressure turbocharged petrol-engine all-wheel drive (AWD) estate, 220kph (137mph). I have no reason to doubt either claim. All I can say from personal experience is that the AWD manual made even shorter work of passing trucks and trailer of nightmarish length than did the TDI.

On dry roads, nearly all the power goes to the AWD's front wheels but if they lose grip, some power is diverted to the rear wheels. It is all completely automatic. Traction is further aided by an anti-spin system on the front wheels, an automatic differential lock on the rear. Volvo bravely allowed the AWD estate to be driven off-road through a forest with the odd stump sticking up through the soggy carpet of pine needles. Few owners would, I imagine, cruelly abuse a £27,400 car in this way because its ground clearance is inadequate for such goings on, nor are the vulnerable bits underneath shielded. It would, though, be a great car to drive on snowy mountain roads. Volvo sees it competing with 4x4 cars like the Audi A6 quattro estate or BMW 320iX. Touring and suggests it would be good for towing a couple of hunters, a boat or a large caravan. I am sure it would, but a Subaru Legacy 2.2-litre estate with a set of low range forward gears would be cheaper and possibly even better although it could not match the Volvo's luxury. For all their potential benefits, normal road-going cars with four-wheel drive have not made much impact in Britain. I doubt the Volvo 850 AWD estate, attractive car though it is, will start a trend.

A form of warfare

Continued from Page 1

ing captain, Will Carling, famously labelled old farts. Moreover, the Five Nations and the World Cup pull in huge television audiences. But the club game has no such appeal. This year around 400,000 people will watch English first division games. This compares with 11.2m in 1994-95 for football's Premiership and 600,000 for rugby league's 1995-96 centenary championship. And rugby league, although nominally professional, had only two full-time professional sides until this season. Fresh money was necessary if the club game was to go professional. Its problem, paradoxically, is that funds were rapidly forthcoming for a few clubs. Sir John Hall of Newcastle United FC took over the city's struggling rugby club. Property magnate Nigel Wray acquired Saracens, the north London club. The English game's notional aristocrats, Harlequins, won a £1.5m three-year deal with NEC, the Japanese electronics company, and will be renamed NEC Harlequins of London. Newcastle secured the England outside-half, Rob Andrew, on a lucrative rugby manager contract and began buying up players. Harlequins is reported to have given the Wales lock forward, Gareth Llewellyn, a £250,000 contract; one consequence of professionalism is that top-flight locks - unglamorous but scarce - are attracting serious rewards. Most clubs had expected gradual change. Gareth Davies, chief executive of Cardiff, the Welsh champions, says: "We expected to pay enhanced expenses, but not much more at first." Last season, they paid around £100,000 in expenses. Forced to compete for talent, the club is budgeting for a wage bill of around £1m next season. So is Bath, the English champion club. Even a second division club, such as Bedford, once a power in the land, reckons it will need an extra £200,000-£300,000 - a tall order on an income of around £500,000. While repelling predators away from its talented young backs, it needs to spend to attract new forwards. And neither Bedford, Bath nor Cardiff can be certain their budgets will be adequate. One London official says: "The market is febrile, unstable and full of fear. Most players are still up for grabs, prices have not stabilised and everyone is desperately looking for new sources of funding." There will not be enough Nigel Wrays or NECs to go around. Hence the money rows with unions as top clubs seek a larger slice from existing competitions. Davies says: "The gate money at a Welsh cup final is around half a million and the finalists get around £20,000 each. It is pitiful." Hence also their desire to control television rights for the European Cup. This gets fully under way next season after this year's lively pilot competition which was won by Toulouse. The general belief of those clubs without rich backers is that television can be their lifeline. They could be disappointed. Steve Barnett, lecturer in communications at Westminster University, argues: "The real

question is whether people will buy satellite dishes to see club rugby. I don't think many will." A deal linking club games to the popular Five Nations may be the answer, but at the cost of handing some Five Nations games exclusively to satellite television. All this might suggest that investors in the game are unlikely to see a return on their money. But Nigel Wray and NEC's sponsorship director, Ian Spero, argue that the crowd levels are evidence of unfulfilled potential rather than the limits to growth. Wray, a lifelong player, says: "As soon as I heard about the changes in the game, I knew there was a chance for someone like me to get involved. Rugby's my game. Saracens is a good club with a huge potential catchment area." Taku Okuta, NEC's managing director, sees rugby's appeal and Harlequins' long history as making them ideal sponsorship partners: "Our market is made up of corporations and professional people

The belief of those clubs without rich backers is that television can be their lifeline

and we think this relationship will appeal to them. This is not just a sponsorship, but a partnership in which we will help actively with the development and marketing of the club." Elsewhere voluntary structures are going. Bath is now a limited company. As one London club official says: "You can't run a club on Saturday mornings any more." But rugby's full-timers may not include many players. Moon warns that the new employer-employee relationship will impose obligations on both sides, but expects semi-professionalism to predominate in the near future. Phil de Glanville, Bath captain and an England squad member, agrees: "I wouldn't advise anyone to give up their other job. It's still too uncertain and anyway how much time can you spend training? I'd get bored if I did nothing else." So will it all end in receiverships? For some, almost certainly. Peter Williams, director of Orrell rugby club, says that in rugby league the clubs which went bust were those which paid salaries they could not afford. Michael Lord, a true conservative amid free-market liberals, argues: "Amateurism is the essence of the game. Change that and you destroy something fundamental. The game doesn't want professionalism, it doesn't need it and can't afford it." De Glanville, though far from gung-ho, disagrees: "The game will still be there and the people who make it worthwhile will still be involved." Few rugby people would disagree with the journalist who said: "I am looking forward to writing about rugby again. At present the only story is money." Like seekers after stability in Russia, he could be in for a longish wait.

Advertisement for CODA Liberation Systems for Enterprise Accounting. The main image shows a person's face looking through a magnifying glass. Text on the right side reads: 'We liberate where other systems dominate'. The bottom of the ad contains the CODA logo and the text 'Liberation Systems for Enterprise Accounting'.

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BOOKS

More evolutionary metaphors

With a slight sense of déjà vu, Clive Cookson finds this author weaving another Darwinian spell

A year ago Richard Dawkins invited readers to join him on a voyage down the *River Out of Eden*. Now he holds out the challenge of *Climbing Mount Improbable*. Both books offer rich new parables - if such a militant atheist as Dawkins will accept a word redolent of religion - of evolution as a cumulation of tiny genetic changes. The author is therefore still pursuing the same general theme as his ground-breaking *The Selfish Gene* (1976) and *The Blind Watchmaker* (1986).

Climbing Mount Improbable is written as vividly and lucidly as its predecessors, which means that it is a first class work of popular science. Dawkins weaves another Darwinian spell. He describes, for example, how

flightless creatures grew wings, and how the eye has evolved from light-sensitive cells on at least 40 separate occasions during the history of life on earth. He even makes sense of the "almost ludicrously tortuous and subtle" co-evolution of fig trees and wasps: each species of fig has a corresponding species of miniature wasp that fertilises the flowers within its fruit.

In Dawkins's metaphor, Mount Improbable is any organism - or part of an organism such as an eye or wing - that seems both too unlikely and too perfect to have arisen through the random processes of evolution. Such achievements of nature are sometimes cited by anti-Darwinians to support the view that some God-like designer must have a hand in their creation.

The overall message of the book is that the "towering, vertical cliffs of Mount Improbable" cannot be climbed directly. "It was Darwin's great achievement to discover the gentle gradients winding up the other side of the mountain."

Dawkins says sceptics are confused about the role played by chance in evolution. They regard the first mutation, is indeed a matter of chance: fresh genetic variation occurs through random changes in DNA, the chemical of life. But the second part, natural selection, is quintessentially non-random - directed by the survival of the fittest mutations.

The downside of *Climbing Mount Improbable*, if you understand Darwinism and are familiar with Dawkins's work, is a slight sense of déjà vu. The parable and its details may be new but the book does not bubble with fresh ideas. Somehow Stephen Jay Gould, the American scientist who is Dawkins's only rival as a popular writer about evolution, manages to achieve more variety in his books.

CLIMBING MOUNT IMPROBABLE
by Richard Dawkins
Viking £20, 308 pages

Darwinism as a theory of pure chance - which would be equivalent to a direct assault on the front face of Mount Improbable. In fact, the process has two parts.

The enchanted life of a child virtuoso

Clement Crisp enjoys autobiographies by both Yehudi Menuhin and, below, his wife Diana

In celebration of his 80th birthday, there comes an up-dating of Yehudi Menuhin's 1976 autobiography, *Unfinished Journey*. Menuhin is so extraordinary a figure, his life so illuminating and illuminated (in a spiritual sense), that his narrative must hold the reader fascinated. Yet it is not the musical pilgrimage of his mature career, nor his dedication to the causes of young musicians and of international understanding, that give the book cachet. These are grand ideals for which his concern is seriously expressed. What is so charming, so touching, is his account of his childhood, bright in its detail of people and places, and freshly innocent - as, marvellously, was the wunderkind.

Menuhin is a man of saintly nature as of musical sublimity. What produced the great musician from the plump little boy holding a fiddle in the early photographs; how his wise parents guided him; how his teachers (notably Georges Enesco) shaped his gift, is a unique and valuable narrative. Menuhin tells of his childhood without fuss, a quiet observer of himself, a loving observer of the world his parents made round him. He writes, also, with a felicitous clarity. For anyone seeking to know how a child prodigy was reared, and helped to grow into a superla-

UNFINISHED JOURNEY
by Yehudi Menuhin
Methuen £20, 280 pages

that the boy first found in them.

His progress is a story of the deepening of a miraculous gift, through contact with Enesco and Fritz Busch, among others. Protected though he was by parents, who placed the boy's genius in the safe harbour of a close family life, Menuhin is without false modesty. "I could at the age of seven or eight play the *Symphonic Espagnole* almost as well as anyone and better than most". This is not arrogance, but a statement of fact. He could not help being gifted, but typically he adds by way of explanation that "Where I was supremely blessed was in having great musicians to inspire me." This blessing he has - being Menuhin - repaid through the instruction given in his own

school for young musicians. The special value of this book lies in Menuhin's portrait of his younger self, of his awareness of his identity, of his ancestry, and his almost fatalistic acceptance of his musical destiny. He was saved by his parents (and by his teachers) from becoming that saddest of things, the professional child prodigy. And because of the simplicity and dignity of Menuhin's temperament, he also saved himself from the terrible damage that can destroy a child virtuoso as he grows up. He is aware of his Jewishness as he is aware of the musical gift that was divinely his: both shaped and ennobled his life. His first marriage and his need to quit the securities of the parental home were his great crises. His second marriage, to Diana Gould, brought him back to his essential self.

The rest of his story is part of the history of music in our century, and is heart-stirring. Lady Menuhin's own memoir thus becomes the necessary commentary upon what Menuhin has done in the years of his maturity. But it is Menuhin's account of the love and care he knew as a boy, which made an exceptional man from a child touched by genius - a touch whose imprint can fade all too quickly - that explain a life as generous as it has been splendid.



A miraculous gift: the violinist Yehudi Menuhin and (inset) his wife Diana, a former dancer and actress, photographed by Angus McBean

The Black Fairy who found her prince

Diana Menuhin calls her memoirs "a totally subjective tale", and aptly so. These are reminiscences which read like table-talk over a long and jolly luncheon, the listener asking for "more, more" as events and characters are recalled and dissected in a bright, colloquial style with a rather 1930's ring to it.

She evokes childhood with the mixed feelings of a girl who found herself too often a victim: of her mother's and younger sister's wit of mischance and mistiming in her hopes of working for Diaghilev and Pavlova; of her own "volcanic nature". She declares

herself "An Unfortunate Child", though her Anglo-Franco-Irish-Scottish family and ancestry was scarcely hant-bourgeois, and her musical mana maintained a stable of three Bechsteins as well as three children, and provided them with a delightful and grandly naval step-father.

GLIMPSE OF OLYMPUS
by Diana Menuhin
Methuen £14.99, 387 pages

This charts her early years as a dancer (the tall, lovely Diana Gould) and actress, and as the witty observer of her own and other people's emotions and mishaps. She is, though, a failure *manquée*, despite the cussedness of destiny - she calls it The Black Fairy - which she feels always cheated her of opportunities to reach an artistic Olympus, for her marriage to a great musician has made Olympus her home.

From the age of nine, Diana Gould was sent to ballet class for their own good. The young Miss Gould needed all the reserves of resilience she was busy storing up to add to her native wit in order to cope with Rambert's barbs. (In her own memoirs, de Mille remembers such cries as "Frrrediddle" - this to the young Ashton - "pull in your great bottom. You flaunt your bottom like a banner"; or "Deanna! Do not make jokes. I am tired of your humour. I am tired of your wit. I would prefer one good arabesque to six jokes.")

"Diana's face hardens", adds de Mille. And so, we gather, did Diana's resolve. Inured to these put-downs, Diana Gould was to find a place as a dramatic dancer in the early 1930s, when English ballet was being made by Rambert in Notting Hill and Ninette de Valois in Islington, if not the greater rewards she hoped for. Her elegance and beauty built a career, despite the interventions of the Black Fairy, and she recalls these days in fine style. The brief

season of Balanchine's *Ballets 1933* (funded for a few weeks by Edward James as a frame for his new wife, Tilly Losch) found Diana Gould cast in *Les Valses de Beethoven* as Earth, wearing a Bovril coloured chiton with a small cairn on her head. She duly christened herself "Old Mother Manure". Whatever the frustrations of her career, she kept a bright eye on events. Pre-war Paris, where she studied; war-time London where she danced and acted; an ENSA tour (Every

Night Something Awful said the troops who were to be entertained); all are recalled with an indomitable if slightly resigned resilience. Then the meeting with Yehudi Menuhin and marriage, and the realisation of her destiny. Abundant happiness replaces disappointments. Her eye is still quick for the improbable and the unexpected, but there is serenity and security as well as excitement in the years of travel and home-making. We see the proper shape of a life. Diana Gould, battling with frustrated hopes, turns into Diana Menuhin: the shoe has fitted Cinderella.

Rereadings

Easy passage to India

There are many gateways to India via the bookshop. One of the most recent is David Gentleman's *India* (Hodder & Stoughton £14.95), where he recorded a tour he made in 1952. He went all over the place with his drawing-board: Delhi, the Himalayas, Rajasthan, Ellora, Ajanta, Calcutta, Madras, Karnataka, Bombay and Goa. His sketches of the main sights in each place coupled with his comments make an easy, yet excitingly exotic, read.

Turning to fiction we are perhaps spoiled for good novels about India with the likes of Seth and Russett or the earlier Paul Scott and E.M. Forster. But to tackle them represents quite a commitment of time and will-power. Anyone seeking a less exacting literary route into Indian life with its unique combination of bright sunshine and sombre mysticism should try *Stories and Twentieth Stories* by Satyajit Ray first published in the late 1980s and still available in Penguin.

Ray, whose name as a film-maker, writer-director of *The Chessplayers* etc. is a household word, did not write his first story until he was over 40, but after that there seems to have been no stopping him. He died in 1992. Story-telling was in his genes. His grandfather was a children's writer who edited a children's magazine, *Sandesh*, which Ray's father, also a gifted children's writer and



illustrator, continued. The magazine was revived by Ray in 1961. He produced a version of Lear's "Jumbies" translated into Bengali for the first issue, after which he wrote and illustrated stories between making all those films. The main orientation of his stories is Calcutta and the world of the Bengali bourgeoisie, the society we meet at much greater length in Seth; but Ray is especially concerned with the plight of the little man working in a humble clerical job; someone whose fortnight's holiday on the road in an ancient Morris Minor takes him into the forest where he has an encounter with the occult in the shape of a holy man and a sacred cobra. Or - in the hilarious "Patol Babu, Film Star" - Ray turned to his own world and the sad fate of a has-been of the industry recalled for one day's location work.

Anyone who has been to India will agree that animal life is as plentiful as human, and it certainly is in these stories. Birds, reptiles and dogs have an intelligence that gives them invincible power over their handlers and worshippers. Ray roams in search of narrative quarry through the sub-continent, even as far as Tibet in a tale

about an expedition by a group of intellectuals to a remote mountain monastery that has echoes of Conan Doyle's lost world. The comparison is not made lightly. Ray has the same mesmeric magazine-writer's power over his captive reader, the same gift for an irresistibly enticing build-up to a mystery, the same deft way with detail, and I have to admit, at times the same descent into banality when the mystery is finally solved. But like Conan Doyle he survives, nay demands, rereading.

Anthony Curtis

Fiction / Brian Martin

True to the life

HIGH LATITUDES
by James Buchan
Harvill £14.99, 192 pages

LOVE AGAIN
by Doris Lessing
Flamingo £13.99, 343 pages

KRAVEN IMAGES
by Alan Isler
Cape £14.99, 288 pages

THE TOUCH
by Julie Myerson
Penguin £12.99, 316 pages

IN THE CUT
by Susanna Moore
Penguin £12.99, 180 pages

we even admire it." Constantly her writing is illuminated by quotations from poets and pop songs, and by allusions to philosophy about love by Stendhal, Goethe and Proust. Lessing's and Buchan's novels contribute seriously to the novel genre. *Kraven Images* is of a lesser order. Alan Isler is a farcure: in his first chapter, a dog and bitch locked in *Paradise* fall into an open grave at a Jewish funeral. His hero is a fraudulent lecturer in English at a New York college who is resigned to the limits of his students' study of *King Lear*: "It was enough, surely, if by the end of term they all agreed on a common spelling of the mad king's name." There are many memorable lines: one of his characters suffers in her way of talking "the linguistic stigmata of her generation... less blemishes than beauty marks." *Kraven Images* is an enjoyable comic entertainment.

The Touch and *In the Cut* are of an even lower order. There is a gruesome fascination in finishing Julie Myerson's novel: readers want to discover what happens to her central character, an old, deranged, derelict, religious crank, and occasionally in this macabre story there are qualities of writing and atmosphere which bring to mind William Trevor's best work. But *In the Cut* it is a crude, violent, pornographic piece of self-indulgence, which, by contrast, equals the understanding, compassion and intelligence of Lessing's and Buchan's novels.

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BOOKS

The laureate of transcendence

Craig Raine reviews Seamus Heaney's latest poems

He was "hard as nails", "bald as a coot", "safe as houses", "rain or shine": why is Seamus Heaney's latest trim, efficient, pleasing volume so hospitable to cliché?

THE SPIRIT LEVEL by Seamus Heaney Faber £14.95, 96 pages

unprecedented in his ability to reproduce the reek of rural Derry on the printed page, a writer whose mimic gifts rivalled those of his great mentor, Ted Hughes. Clive James once wittily summed up this achievement by parodying Eliot: "I will show you fear in a handful of bait." Heaney himself describes this phase in his Nobel lecture, *Crediting Poetry* (Gallery Books \$5.00), as reposing in what Dr Johnson called "the stability of truth".



Caricature by [unintelligible]

line has forsaken him. Compare the inspired intuitive risk of "But boy / meaning soft" (from *North* 1975) and still his best book, by some distance) with the coarse calculation of the infinitive split across stanzas in "And bearing out, just having to / Balance the intolerable in others." Elsewhere in this poem, the line breaks are either bluntly obvious, or merely occur, counter-intuitively - heavy-handed or haphazard. The section of "Two Lorries" is marred also by the reliance on exclamation to accommodate the required crucial initial repetition. There is padding here as there is in "To a Dutch Potter in Ireland", a translation from the Dutch which subtly exploits an implicit parallel between post-war Holland and

post-Troubles Ulster. On the whole, though, *The Spirit Level* is a welcome and ambitious attempt to further Heaney's disciplined development beyond the liberal to the transcendent. "I began a few years ago," he writes in *Crediting Poetry*, "to try to make space in my reckoning and imagining for the marvellous as well as for the murderous." The marvellous began with the Danish visitants of *Station Island* whose insinuations into existence first manifested Heaney's talent for treating the supernatural. "Something came to life in the driving mirror," their findings from the world of flesh were exquisitely managed, too: "he trembled like the beatwave and faded"; "the downpour loosed its screens round his straight

walk." The biographical poems in *The Spirit Level* make it clear that the momentous world of Heaney's childhood was always ghosted by the noumenal - ominous with omen, sodden with superstition ("Piss at the gable, the dead will congregate"; "When the thorn tree was cut down / You broke your arm. I shared the dread / When a strange bird perched for days on the byre roof"). And the title of the book sets Heaney's poetic agenda by its punning ambiguity: on the one hand, it indicates the practical, the straight, the straight-forward, the level-headed; on the other hand, it gestures towards existence at the level of the spirit. It is appropriate, then, that the book's bricklayer should also be representative of the Red Hand of Ulster, one of

this volume's many and on the whole benign hauntings. Heaney is particularly interested in the marvellous, but, shrewd poet that he is, he knows that without the actual, the visionary is without a launching pad. Larkin had much the same programme himself in "High Windows", where the transcendent conclusion is unthinkable without the deliberate and foul-mouthed actualities of the poem's opening. And Larkin's exemplar is the Yeats of "Beautiful Lofty Things", where Mand Gonne is "at Howth Station" in all its prosaic particularity - and also "Pallas Athene in that straight back and arrogant head".

Those clichés I drew attention to at the head of this review are Heaney's necessary extrusions of exhuberance, his equivalent of Howth Station or Larkin's "When I see a couple of kids / And guess he's fucking her..." Clichés establish the ordinary with economy, just as it is about to metamorphose into something else, or disclose a larger template disguised by the veil of the usual. Larkin may seem a peculiar poet to cite, were it not for his appearance in *Seeing Things* (1991) where he appears as a tutelary shade, quoting Dante, and also, necessarily so, as "A nine-to-five man who had seen poetry".

In *The Spirit Level*, not every attempt to refract from the temporal to the supernatural works uniformly well. Quite often, you feel that Heaney is forcing his material out of the phenomenal into the realm of the merely rhetorical. "Two Lorries" would be my example. Here, Heaney's mother is a convincing revenant because he brings before us the bus station at Magherafelt with its "cold-frosted waiting room". The figure of death, though, is less convincing because Heaney presses "a dust-faced coalman" into service, fustily switching his coal-sacks so that they become "body-bags" - so that the poem seems rigged, implausible and lacking conviction. There is another reluctant mating of the worldly and the otherworldly in "The Butter-Print" where the breadless St Agatha shades into the young Seamus - an interface rather woefully engineered in line 4, where the butter-print is credited with a "breast" "scurved with silvered glass". Triumphs, however, include "The Swing", "A Dog Was Crying Tonight in Wicklow Also", and "Call". This last poem describes the poet telephoning someone, a male friend, who is in the garden, weeding - weeding in a way which suggests the day of judgment and also the breaking of last links. This implicit tone, the subtle innuendo of mortality leads Heaney to evoke the hallway where the phone is waiting, waiting, as time calmly passes:

"Then found myself listening to The amplified grave ticking of hall clocks

Where the phone lay unattended in a calm Of mirror glass and sunstruck pendulums..."

Grave tickings. Yes, but also a scene of perfectly written, perfectly realised actuality. The sub-text and the impeccable reality both allow Heaney his most extraordinary but risk-free move: "This is how Death would summon Everyman." And then something even more extraordinary happens: "Next thing he spoke and I nearly said I loved him." Either Heaney is surprised by the strength of his feeling - which would make it a very good poem. Or the person he is telephoning is his father - and it is a great, tragic poem of regret for the unspoken love we all of us carry in our breasts. Someone, an Irish poet, said anonymously once that Heaney would win all the prizes, including the Nobel, but that he would never write a great poem. "A Call" is, I think, a great poem, great also because it is short and so swift to break your heart. And well worth the Nobel Prize.

The American feminist Gloria Steinem is something of an enigma. Undoubtedly famous, it has never been clear why she is such a celebrity. Like Kate Millet, Betty Friedan or Germaine Greer, she has never written an important book; her claims to fame rest on *Ms*, the magazine she co-founded, and her public image as a glamorous feminist in a mini-skirt. This is partly because for many years Steinem threw her energies into punishing rounds of public speaking, criss-crossing the US to address women's groups and support campaigns in out-of-the-way places. She championed the cause of immigrant farmworkers in California, pressed Democratic presidential candidates to include women's issues in their platforms, and started the congregation at a Minneapolis church with a speech accusing institutionalised religions of perpetuating sexism and racism. When Steinem finally out-

The unexplained feminist

lined her philosophy at book length in *Revolution and Revision*, she produced a confessional text which bore all the hallmarks of someone who had recently discovered psychotherapy. Steinem's biographer, the author and English professor Carolyn Heilbrun, describes the book as "the culmination of Steinem's belated bout with therapy and her obsessive reading of all she could find on the subject of self-esteem". This was Steinem's second conversion. The first took place in 1969 when, days before her 35th birthday, she attended a meeting on abortion law reform organised by the Red Stockings, a radical feminist group, in New York. Steinem had never spoken publicly about her own abortion, carried out in great secrecy in London 13 years before, and

she described her feelings at the meeting as "the great blinding lightbulb" which illuminated all the things she had not previously understood. "A lifetime of journalists' jokes about frigid wives, dumb blondes, and farmers' daughters that I had smiled at in order to be one of the boys", in Steinem's own words, was suddenly revealed to her as part of the systematic oppression of women. This brings us to another of the puzzles about Steinem's life: why did the most prominent American feminist take quite so long - six years after publication of *The Feminine Mystique* - to comprehend the most basic tenet of feminist philosophy? Her commitment to the cause, once she had grasped it, was unrivalled. For the next 30 years, she worked late into the night writing articles, raising

funds, setting up conferences, offering accommodation to activists who arrived in New York with nowhere to stay. She insisted on reaching beyond the white middle-class housewives who had been liberated by *The Feminine Mystique*. THE EDUCATION OF A WOMAN: THE LIFE AND TIMES OF GLORIA STEINEM by Carolyn Heilbrun Virago £20, 451 pages

hique, encouraging the involvement of black, Hispanic and working-class women in feminist campaigns. This kind of life inevitably presents problems for a biographer. But Heilbrun's book also suffers from faults of her own making, not least a determination to explain absolutely

fault, though, is near-adulation of Steinem. Scorning the notion of objectivity, Heilbrun announces in the introduction that her aim is to write about a woman "who became simultaneously the epitome of female beauty and the quintessence of female revolution". What she cannot quite confront is the probability that Steinem is a mediocre writer and unoriginal thinker whose face and personality happened to appeal to the media. Perhaps this accounts for the troubling undercurrent in the book: the sense of something not being said, which culminates in a weird final paragraph. To the thousands of people she has helped or encouraged, Heilbrun writes, Steinem "is like the mythical Kilroy of World War II, essential and ubiquitous: Steinem was here". It is not, I imagine, an epitaph that many celebrities would care to have on their tombstone. The book's most glaring

Joan Smith

Complicity in war crimes

Nazism's inner enemies were consumed not just by gas chambers and crematoria in the death camps, but by the machine-gunning of naked victims on the lip of mass graves, by overwork and starvation in labour camps, by guerrilla forced marches, by casual brutalities and arbitrary acts of violence that became daily, commonplace acts of Nazi-gripped Europe. In Daniel Jonah Goldhagen's view, there had to be a vast complicity on the part of the German people for so much murder to be done. He argues in effect that all Germans had to be involved, at very least in their silent acquiescence in something so tremendous that they must have known of it.

To establish this thesis Goldhagen investigates three aspects of the Holocaust not closely studied before: the police battalions used to keep order in occupied territories of eastern Europe; labour camps; and the "death marches" at the end of the war, when large numbers of prisoners were moved out of the way of advancing enemy armies. He concludes that very many "ordinary Germans" - that is, people other than fanatical members of Nazi organisations like the SS - were willing to murder Jews, even though

HITLER'S WILLING EXECUTIONERS by Daniel Jonah Goldhagen Little, Brown £20, 622 pages

they could without sanction have refused to do so; and they were willing because German culture had long been deeply imbued with "eliminationist anti-Semitism", the view that Jews are sub-human and must be extinguished. Goldhagen's book bears the marks

of the academic thesis it originated from in its ponderous structure. But it brings much interesting new material into focus, especially the role of "Police Battalions" in the murder and mass deportation of Jews. There is harrowing detail here, and real additions to knowledge. But Goldhagen's argument invites opposition because of its generalising imputation of guilt. This threatens an injustice. The horrors perpetrated by many Germans under Nazism should not obscure the fact that many other Germans risked resistance. There is

no mention by Goldhagen of Anton Gill's recent book, *An Honourable Defeat*, which records this side of the story. Between Hitler's rise in 1933 and his death in 1945, Gill relates, three million Germans spent time in prison or concentration camps for political or resistance activities. Efforts were made to overthrow Hitler, a number of them involving assassination attempts: bombs in Smolensk, Gerdorf and Rastenburg, guns elsewhere. This shows that there was honour as well as horror in Germany in those frightful years. Those who dissented risked a brutal encounter with the Gestapo; many took that risk.

A.C. Grayling

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ARTS



Art of a high order: 'The Raffenberg Family', 1830, by Wilhelm Bendz, who was to die tragically young at the age of 28

Idyllic calm of Denmark

William Packer admires the work of two artists which epitomises the country's Golden Age

In Denmark in the early years of the 19th century there emerged a distinctive national school of painting which has long been known as Denmark's Golden Age. For while there have been notable Danish painters since, from Kroyer to Nolde, only in that first period was the character of the work so particular to Denmark. Cast in the very clearest light and in sharpest focus, it is charged with an almost febrile intensity of mood and atmosphere, an idyllic calm fixed in the eye and the mind for ever.

Two painters of this period are now celebrated by major exhibitions at Copenhagen. Christen Kobke, born in 1810 and dead at 38, is by now widely appreciated outside Denmark as the world at last begins to accept the quality and importance of national schools, and that painting in

the 19th century did not begin and end at Paris. Wilhelm Bendz, born in 1804 but dead even sooner at 28, is as yet little known, even in Denmark.

And yet his small body of work - mostly portraits and figure compositions, along with a few small landscape studies made on his fatal journey into Italy in 1832 - shows us that had he not been so abruptly taken off by typhoid, Bendz would have established himself as at least the equal of any of his contemporaries.

He was obviously admired by his fellows, and in 1830 the young Kobke, still a student at the Academy, gives us a clear hint of the man, with his curly hair and frank, open, half-smiling face. This tiny portrait was borrowed by other painters to copy, and Kobke himself made a second version some years later. One is from the Hirschsprung Collection itself, the

other from the National Gallery in London, and the jury is still out as to which is which. I suspect the former was the first.

Bendz, like Kobke, had studied at the Copenhagen Academy, where C.W. Eckersberg was master. Eckersberg had brought back from Paris, where he had worked under David, an insistence on the prime importance of study direct from nature. For Bendz this meant not just the life model, but the life of the studio itself. It is not the conventional neo-classical composition he put in for the Academy's prize medal of 1825, but his painting of the life class itself the following year that is remarkable. A student on a ladder lights the lamps for the evening class, the kneeling model, brightly lit, supports himself by the looped rope overhead; and ranged in tiers in the sur-

rounding gloom the students work away as the teacher comes round. It is a scene familiar to anyone who was ever an art student these 250 years past, or would have been until 30 years ago.

Indeed the artist in his studio amid his working clutter, or at leisure at a smoking party or beer cellar, supplied Bendz's true and constant theme. He was a master, too, of the domestic portrait and conversation piece - the girl sewing at the table, the family at home, the pictures on the wall, the door open to the room beyond. Its quality as art apart, his work is of a wonderful documentary interest. But it is art, and of a high order - even the bread-and-butter portraits of men in stiff, high coats and collars, and women with their to us improbable coiffures, so touchingly immediate and real.

Christen Kobke, like Bendz, found himself with remarkable speed under Eckersberg's guidance, both as portrait and landscape painter. The portraits are a surprise, again small in scale but of a wonderful conviction in statement and presence. But it was the local scene that Kobke made his own, in particular the ramports and citizens of Copenhagen where he lived, with his views out across the sound and along the bay.

But those pink towers of Frederiksberg Castle and the bridge across the moat make a familiar image, and the jetty too, with its sailing party, and the furling sail around the mast, tall and pale against the evening sky. The smaller studies and sketches are the revelation. If we speak of the particular character of Golden Age painting such as that of Kobke, it lies in that clarity of vision, radical simplicity of design, and metaphysical mood of calm that inform the finished works. But what the rapid studies in oil do - the clouds, the rickety jetty and the reeds at the water's edge - is to tie the work into the broader European development of plein-air painting at about that time.

Thomas Jones had been working outside in Naples, Constable in England and Pierre de Louveciennes in Rome; the young Corot was in Italy, and Kobke would go to Capri in the early 1840s. Something clearly was in the air, and its sense serves only to

A passion for collecting

Susan Moore canvasses a cross-section of London-based dealers for advice to first-time buyers

The urge to collect something - be it stamps, biscuit tins, Van Goghs or first editions of the Vulgate Bible - seems latent in most of us. In the case of real collectors, enthusiasm rapidly turns into obsession. For the rest, doing the rounds of the galleries or "antiquing" is a pleasurable recreation, maybe even a domestic chore.

In the good old days, of course, it mattered less if you had limited means. I call to witness the heroic example of James Hooper, an assistant sanitary inspector who at the height of his career earned no more than £65 a week but amassed one of the great collections of primitive art. Christie's sold it in five sales from 1976 to 1980 for £2m.

Whether fuelled by passion, acquisitiveness, the desire to order and classify, or by social ambition, today's aspiring collector should pause a moment to reflect. Does it matter if what you want to collect is only rarely available on the market? Putting together any kind of significant group of, say, gold-ground Italian panel paintings might take a lifetime. That is why they are relatively inexpensive.

What will your hard-earned disposable income buy for you? Perhaps more important, given the addictive bite of the collecting bug, how often would you need to bring home a new prize? Buying for investment seems a miserable notion, but it is reasonable to buy prudently or search off the beaten track for objects not hotly contested in the salerooms. Committed collectors have always been way ahead of the market.

Those who feel they would like to collect something but are not quite sure what, could follow the lead of many American collectors who extend their professional interests into the art market and on to the walls of their homes.

A successful architect might collect architectural drawings, for instance - a producer, costume or set designs for theatrical or ceremonial events. There is no doubt that the more time and energy invested in the project, the more pleasure it will bring. It is not uncommon for casual buyers to turn into the most hard-nosed and highly knowledgeable of collectors.

What new collector can be more or less guaranteed is a warm response from any dealer or auction-house expert. New blood, except in the case of contemporary art, is

becoming a rare commodity, and the absence of a new generation keen to learn is lamented by many among the trade. I canvassed a cross-section of London-based dealers for their advice to those taking their first tentative steps into the art market.

Peter Nahum, 19th and 20th century British art: "The advice I give I try to follow myself. I like to buy good works of art rather than the decorative. I like to buy against the market and not on

it. There are always two questions to ask: is it good enough and can I afford it? The other rule is patience. The buyer must have the discipline to wait for the right quality work to come up, and then have the courage to pay the right price - something determined by the rank, quality, rarity and future rarity of a picture. For those starting at the bottom end of the market, there are still so many significant things which are grossly out of fashion and wonderfully cheap."

"Go slowly, keep cool," is the advice of furniture and works of art dealer Alan Rubin, Feltham Galleries.

"Serious collecting needs time to develop. It usually begins in a serendipitous way with people buying something and then discovering it interests them. Try to find a focus where every small addition to the collection illuminates the other pieces. It does not have to be a collection in which everything has to be of

great value but it has to have merit.

"There are so many neglected aspects of European decorative art. If in the last 20 years I had an enthusiastic collector of European lacquer, say, we could have created the world's greatest collection with no trouble at all."

Jay Jopling, White Cube: "I tell people to educate themselves about what they are looking at, and in the immediate history of contemporary art, in order to familiarise themselves with the context of what is being produced now. The criteria for buying are no different from those I use when deciding to show an artist. Does a work of art engage me, stay with me in my mind, and change the way I look at familiar things?"

"A collector is a very special species," says Oriental art dealer Giuseppe Eakemazi. "I have no wish to possess, it is enough for me to look at something in a museum. But a collector must possess. I try to channel that energy into what is the best thing available, but only when I am sure that the client knows exactly what he wants."

Clovis Whitfield, Old Master painting: "Buying 18th, 17th and 18th century paintings requires a certain empathy with the period, curiosity and courage. Open your eyes to things other than what you see in books or exhibitions. See as much as you can of what is to be had on the market, and have faith in what you like."

"Do a lot of looking, a lot of research and try to form your own opinions," says Caroline Lumley, Lumley Gazale. "In the area of prints, the condition is very important and the borderline between reproduction and original print is very shady. If you are not confident about telling the difference yourself, go to a reputable dealer."

Rainer Zietz, sculpture and works of art: "I do not believe in recipes. If someone really wants to collect, they will find their way through. It is as simple as that."

What the newcomer can be guaranteed is a warm response from any dealer or auction-house expert

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ARTS



Father Gregory Wilkins, Ketham, Nottinghamshire, England, 1963: Arnold's polite, compassionate portraits are a world away from the social and political tensions of the day

A too-sympathetic lens

Richard McClure longs for some cynicism to creep in to the work of Eve Arnold

When the 1960s broke out in its rash of trouble-spots, photojournalists worth their salt headed for Saigon or Prague. Not Eve Arnold. Instead, she could be found on the Wiltshire film set of Dr Dollittle photographing Rex Harrison surrounded by llamas or watching the Queen inspect northern dustbins during Operation Springclean.

"I think it is essential that wars are covered - it is central to our understanding of the period we live in - but I'm not sure if it is right for me. Even now I don't like to think about South Africa. It is too ugly, too horrible, too vile." Such sensitivity is unusual, but not without precedent, among photographers. After entering the Belsen death camp with Allied troops in 1945, George Rodger, one of Magnum's founders, vowed never to cover a war again.

Arnold's distaste for life's brutalities springs from a belief that photography can be an ill-mannered intrusion. When an IRA bomb exploded in a restaurant near her home she refused requests to photograph the injured victims. In the book which accompanies this exhibition, Arnold writes:

Her distaste for life's brutalities springs from a belief that photography can be an ill-mannered intrusion

Of innocence and experience

Alastair Macaulay on a staging that is true to the spirit of Dennis Potter's take on childhood

The world of the late Dennis Potter, at its most characteristic, is at once entertaining and disquieting: intensely ironic and highly complex to experience. The great achievement of Patrick Marber's staging - at the National Theatre - of Blue Remembered Hills is that, from its first moments, it plunges us straight into that uniquely Potterish mental climate and makes us enjoy Potter again as a serious, peculiar and witty dramatist.

Blue Remembered Hills is typical Potter - as Son of Man, staged last autumn by the Royal Shakespeare Company, is not. In Blue Remembered Hills (originally written for a 1979 BBC film), a play about childhood in the second world war, Potter dramatises the complexity of simplicity and shows us innocence shot through with experience. The seven children here keep imitating adults, keep inflicting violence and embarrassment upon each other, keep playing games that get out of hand, and eventually this leads to death.

The most perfect performances are those of Steve Coogan as Willie and Geraldine Somerville as Angela. Watching them, we are in two states of experience at the same time: immature and mature, outside and Lilliputian. And, as the most pathetic character of all, Donald, Robert Glenister excellently shows you the wretched "bullyability" of this victim and the anguished grief he has for his missing father.

Television / Christopher Dunkley Music on the brain

The three part series Music And The Mind which begins on Channel 4 tomorrow evening is simultaneously one of the most fascinating and promising series ever made about an arts subject and one of the most irritating and frustrating.

He begins by trying to show that music is innate in all of us: how Stephen Wade, after a massive stroke, cannot speak, read or write yet can still compose music; how an elderly confused patient "reacts" to a familiar tune; how Elizabeth Varlow plays the viola with the LSO though she is profoundly deaf; how a French patient who cannot tell whether two simple sequences of three notes are the same or different can still tell accurately whether music is sad or happy.

It when he is told that all over the world musical styles employ intervals that seem to be closely associated with the human pulse. But in the end he manages to avoid it again. His chief preoccupation, it turns out, is the sort of investigation that allows you to make actual measurements of something. For instance, blood flow measured in the brain of a musician as he plays Bach on a keyboard, and then plays scales. It turns out that there is more activity in areas of the brain associated with expressiveness and emotion during the Bach than during the scales. But, once again, it is not what most people would assume?

Radio/Martin Hoyle

An enthusiast's junket

Tonight, if you will excuse the expression, is the night, Radio 3 grows up or, if you will, gives in. Either way, it stays up all night. With Through the Night, starting at 1am, the station begins its 24-hour schedule. This week Smetana's cycle Ma Vlast provides a thread, a serial if you like, starting with Vyshehrad tonight - or rather at five tomorrow morning.

Judi Dench recalls skipping classes at Central to hear music rehearsals at the Albert Hall; and John Peel brings a predictably dreary note of gun laddishness to the proceedings, meticulously hiding his public school accent to warn us that he might shout "anyone for a pint?" in a reflective moment of Bruckner. Ho-Ho, John. Not really?

gories of Britain. An embarrassing miscalculation, however, has been the series A Resting Fellow on Radio 4. William Donaldson is one of those people most of us have at the most only half heard of, so layers of irony and self-parody are wasted. The tone of his exploration of potential retirement homes from Cornwall to Marbella has veered between ostensible rudeness and deadpan self-satire.

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PROPERTY

Homes where the heart rules the head

Anne Spackman on retreats for Europe's tired executives

Like applicants in a lonely hearts column, growing numbers of the rich and successful are searching for their dream home. "Tired north European executive seeks idyllic place for weekends and holidays," their advertisement might say. "Any location considered. Money no object."

What these people want is a beautiful house in a wonderful setting, within reach of an airport but out of reach of the rest of modern life. Whether it is in Ireland or Scotland or France, for those who like sunshine - hardly matters, as long as the setting is right.

As the demands of working life have increased, so has the value of a place where work can be left behind. To find that kind of isolation in the right setting means searching beyond the reach of the most determined commuter. That rules out most of England, which may explain why the English have been joining the Dutch and Germans in increasing numbers in Ireland.

Two years ago, Knight Frank calculated that 80 per cent of its buyers in Ireland were from northern Europe with 20 per cent from the UK. Now, the figures are nearer 50:50.

Bertie Ross, of Savills, has a country house in Scotland. "I think we all suffer from an information overload," he says. "It is getting more and more difficult to find places to get away from that pressure. There is something very special about a complete change of environment. You have a different philosophy, a differ-

ent social structure, a whole character of people who regard the middle of the world as somewhere near where they are, rather than London.

"If you arrive in Ireland the whole pace of life slows. It doesn't matter whether you have a high profile at work. You don't have to dress up and behave like someone important. People are far more interested in whether or not you can fish. You can have that kind of lifestyle in Ireland and Scotland because there are plenty of square miles per head."

For many overseas buyers Scotland and Ireland are interchangeable. Andrew Hay, of Knight Frank, has buyers from northern Europe and the Far East who say they want an island or a beautiful country house in parkland. "They view Ireland and Scotland as one market," he says.

The same northern Europeans dominate the market for country properties in France. In areas such as Gascony and the Tarn, accessible from Toulouse or Nice airports, house-hunters are likely to be German, Dutch, British or Scandinavian. As everywhere, the British tend to buy the places which need renovation whereas everyone else prefers to buy "ready to go".

Gerald Fox, a banker from Wimbledon, bought a run-down chateau near Castres in 1989. The pink-washed house, with shuttered windows and a tower, had 5 acres of grounds which he set about landscaping, adding a swimming pool. "We couldn't wait to get down to see how the



In Scotland: Achany House, Lairg, Sutherland. Baronial splendour for offers over £295,000



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In France: Bouyrol house, in the Tarn, is priced at around £280,000

work was progressing," he says. "It was one of the great pleasures of owning it."

The family bought in the Tarn because it was an area they knew from their holidays and because Fox's wife, Agnes, is half-French. But the other reason they bought was for the lifestyle. "Bouyrol is an unbelievable property to own," he said. "I couldn't in my wildest dreams have thought of buying somewhere like that in England. You get the space, the land and the large rooms. In spring we sit on the terrace and look out over the most wonderful views I've ever seen."

All this in south-west France costs around £300,000. Bouyrol, being sold by Hamptons International, is priced at around £280,000. Figures from Savills Research suggests you would

have to spend at least £500,000 to buy anything similar in southern England.

Prices in Scotland and Ireland are similar to those in south-west France. Savills is asking for offers of more than £295,000 for Achany House near Lairg in Sutherland. The baronial property, with four reception rooms, six principal bedrooms and four bathrooms, is set in 9 acres 48 miles from Inverness Airport.

In Ireland, Knight Frank and Jackson-Stops McCabe are asking £300,000 for Kilmokea in County Wexford. The Georgian house in 20 acres has seven bedrooms, four reception rooms and spectacular gardens. It is about 15 miles from Waterford Airport.

If Kilmokea were nearer Cork, Shannon or Dublin airports, it would probably cost at

On The Move Confident start

Now that boom has become a four-letter word in the property business, agents are instead describing the market this spring as buoyant, confident or any other appropriately measured adjective.

The country house market is at last feeling the ripples from London, with many big houses being sold in the last few weeks. Savills has found buyers for more than £20m worth of property, including £2.5m for Purley Hall at Pangbourne in Berkshire, £3.5m for Larkenshaw at Chobham in Surrey and at £2.5m The Wick at Richmond Hill. All have gone to UK purchasers. The largest deal, worth £1.1m, involves a sale of property and land near Windsor.

In central London, prime values have begun to rise after eight months of stability. Houses in the best locations rose by around 4 per cent in the first quarter, while flat prices remained static, giving an overall rise of 1.1 per cent, according to Savills Research. It says the reason for the discrepancy is the increased supply of new flats coming on to the market.

The mood of cautious optimism extends to the mass market. Members of the Royal Institution of Chartered Surveyors report the strongest housing market for two years. More than 30 per cent say prices are rising slightly, while just 8 per cent record slight falls. This compares with figures of 5 and 90 per cent respectively reported last July.

The improvement has shown through in nine months of successive rises in the Halifax house price index. This, in turn, has had an impact on negative equity. In the first three months of the year the number of affected households fell below 1m for the first time since 1982, according to Rob Thomas of UBS.

However, this still leaves 964,000 sufferers, plus around 2m more with less than 25,000 of equity in their property.

That means around 30 per cent of mortgage households cannot afford to move without the help of special schemes.

In the past two years the market has been active in the first quarter, only to fade at Easter, its traditional high season. This year it looks different. The country house market in particular has grown stronger over the past month. "This is the best market we have had for many years," says Ian Stewart of Savills.

The London lettings market is also looking up. Cluttons London Residential, now bearing the Hamptons name since the merger of the two businesses in February, reports an increase in tenancies of 26 per cent in the first quarter of this year compared with the same period in 1995.

Penny Farr-Head, the lettings director, said the second half of 1995 saw a slow-down in prime central London, with tenants looking for cheaper rents further out. This year has seen the return of the big corporate spenders.

One-third of the new tenancies created in March were at more than £1,000 a week, compared with 17 per cent in the previous quarter. Last week there were four inquiries from tenants looking to pay more than £5,000 a week to rent a London house.

Whitton Place, with its mock Regency white facade, looks like a house in Beverly Hills, but is, in fact, in Tongdean Road, Hove, East Sussex. The house has been remodelled into a Californian-style home, complete with palm trees around the swimming pool. It has a Koi pool with waterfall, a bedroom with a revolving ceiling and a shower concealed in a chandelier. There are five bedroom suites, five reception rooms and a tennis court. Hamptons in Hoveham (01403-211766) is asking for offers in the region of £1.5m.

Anne Spackman

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The editorial topics not only cover the home market but also international, and include: The Cost of Urban Living Around the World, Horse Properties, South Africa, The Art of Negotiation, Cheltenham and Bath etc.

For further information, please call the Property Team:
Tel: 0171 873 4744 Fax: 0171 873 3098

Weekend FT

While surfing on the Internet, you might well spot a property or two for sale. These could be on a variety of web sites set up either independently by estate agents or by one of the companies advertising homes.

At present, there are not enough agencies or properties on the Internet for it to be that effective, but it has to start somewhere. "It's pretty keen and we want to be ahead of the game," says Christopher Dollard, head of marketing for Strutt & Parker, "but the sites need to be made more user-friendly. However, we intend to be using one or other of them, before long."

Sceptics say that it will take at least 10 years for the Internet to be a household tool, but if you think that many of us use now fax and answerphone literate - people who said they would never use either only a few years ago - then that is likely sooner rather than later.

The Internet has more than 40m users worldwide, of whom 2m are in the UK. More estate agents, encouraged by companies selling their Internet wares, are trying to decide whether it is better to get in at the beginning, or adopt a wait-and-see attitude.

John Young, of agents Humphreys, says the company will use the Internet - in the fullness of time. "When all the buying public have got a computer, they will do their initial househunting on the telephone rather than wasting shoe-leather. I look forward to it."

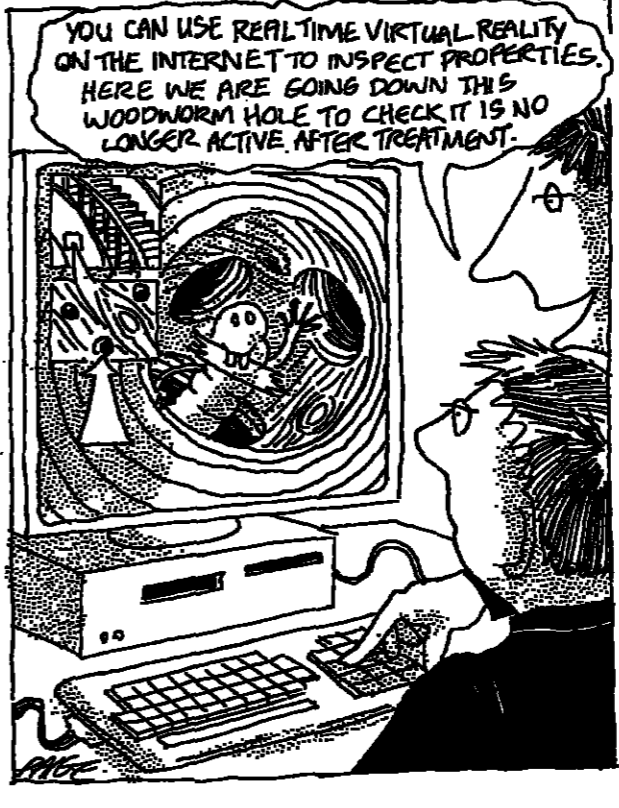
Individuals are also beginning to put their properties on the Net. The outlay is small compared with a full-page advertisement in a glossy magazine, so it does not hurt the pocket very much if there is no response.

Ruth and Gordon Humphrey put their house, Hough Hole House in Cheshire, on the Prestige British Properties register as well as with their local agents, Gascoine Holman. It sold, through someone seeing it on the Net, within eight weeks. "It was such an unusual house that it had a limited market and we felt we needed to spread the promulgation of it a bit wider than usual," says Humphrey.

Prestige British Properties (International), (01935-881592; http://www.zynet.co.uk/ukhomes) has been on the Internet for about a year and its register of properties has risen to more than 700. This includes homes in all parts of the country and overseas and the service is accessed by users around the world.

Surfing the Net for the right house

Mary Wilson on how computers can make searches easier



Peter Callaghan, registrar of the company, says: "Someone phoned up from Singapore about a house they had seen for sale in Dorset. They subsequently placed a house of theirs in New Zealand, which they wished to sell, on the property directory. I reckon that out of 1,500 weekly inquiries, about 25 per cent convert to sales."

Both individuals and estate agents use the service and it is cheap compared with other sites. It costs £25 to register a property, plus £25 per photograph, which remains on the Net until the property is sold.

A new product was launched on the net in February by Euro-Property Network, which has a site for selling property using quick time virtual reality. This means that once a user has the site on screen, he

and also house builders, several of which have already shown considerable interest."

The charges are between £50 to £100 per property per month for static shots and sales particulars. The QTVR pictures cost from £1,000, depending on how much is photographed.

"I expect the site to be used by estate agents as a complementary marketing tool. For example, instead of having a video made which has to be copied every time they want to send it out, once all the photography has been done, our service that is it," says Dunkley.

He has been selling property in Italy, where he lives, for the past 10 years and saw new technology as a welcome adjunct to conventional marketing methods. He has properties for sale in England, Italy, Spain, Cyprus and Greece with agents such as Hamptons, Savills and Stern Studios also talking to him about possible use.

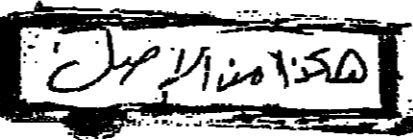
Yet another Internet service, netEstate (0171-584 2184; http://netestate.dsres.com), was launched in June last year. "This is open only to estate agents and Matteo Berlucchi, one of the directors, has discovered that most are reluctant, as yet, to use the Internet. "But, I think, this year should be the year they make their minds up," he says.

Chestertons International is one of the agents which has used the service and, so far, finds that rental properties work better than those for sale. "We get inquiries every day through E-mail from all over the world for properties to let," says Berlucchi.

The service gives detailed particulars of properties with pictures and street maps, which you search by filling in a detailed form. This costs an agent £30 per property, and it is up to them to let netEstate know if it is sold or let.

The search programme is intelligent enough to get close to what you want. If it does not have the exact specifications it will come up with something similar. It also gives detailed information on mortgages, a mortgage calculator and the legal side of home-buying.

Property finding on the Internet is in its infancy, but it is growing up fast. Charles Philpot, of Savills, which has its own web site, says: "Eventually the Internet will offer purchasers the ability to narrow down the options by looking at all the rooms on screen and interrogating the system. This will mean they will have to see fewer properties in actuality to make their final choice."



INTERNATIONAL ARTS GUIDE

What's on in the principal cities

ADELAIDE

EXHIBITION Art Gallery of South Australia Tel: 61-8-2077000 ... Selected Masterpieces: this touring exhibition highlights the artistic talent of one of Australia's most controversial artists...

AMSTERDAM CONCERT Concertgebouw Tel: 31-20-5730573 ... Cecilia Bartoli: accompanied by pianist Gyorgy Fischer. The mezzo-soprano performs songs by Scarlatti, Pergolesi, Haydn, Gluck, Bellini and Rossini...

BRUSSELS CONCERT Théâtre Royal de la Monnaie Tel: 32-2-2291200 ... Vladimir Chernov: recital by the baritone, accompanied by pianist Vesa Chachava...

CHICAGO CONCERT Chicago Orchestra Hall Tel: 1-312-435-6666 ... Chicago Symphony Orchestra: with conductor/violinist Pinchas Zukerman perform Mozart's Violin Concerto No.3...

COLOGNE CONCERT Opernhaus Tel: 49-221-2218240 ... Gabriele Schnaut: accompanied by pianist Nina Tichman. The mezzo-soprano performs songs by R. Schumann, Wagner and Ruzicka...

ANTWERP CONCERT De Singel Tel: 32-3-2483800 ... Korinklijk Filharmonisch Orkest van Vlaanderen: with conductor Grant Lewellyn and trumpeter Hakan Hardenberger perform works by R. Schumann, Pärt, Zimmermann and Beethoven...

BERLIN CONCERT Konzerthaus Tel: 49-30-203090 ... Akademie für Alte Musik Berlin: with conductor Jac van Steen and pianist Alexei Lubimov perform works by Vivaldi, Schubert and Mozart...

DUSSELDORF OPERA Opernhaus Düsseldorf Tel: 49-211-89080 ... Das Rheingold: by Wagner. Conducted by Hans Wallat and performed by the Deutsche Oper am Rhein...

EDINBURGH CONCERT The Queen's Hall Tel: 44-131-6853456 ... The King's Consort: with conductor/harpist/choral director Robert King, trumpeter Crispian Steele-Perkins and oboist Katharina Spreckelsen perform works by Telemann and Vajanyovsky...

BONN OPERA Oper der Stadt Bonn Tel: 49-228-7281 ... Fidelio: by Beethoven. Conducted by T. Karlsen and performed by the Oper der Stadt Bonn. Soloists include...



Artist William Morris: celebrating his life's work in London and New York

MILAN THEATRE Teatro Carcano Tel: 39-2-55181377 ... La Mandragola: by Machiavelli. Directed by Mario Missiroli. The cast includes Paolo Bonacelli, Cesare Gelli, Sabrina Zaninotto and Francesco Acquaroli...

MUNICH CONCERT Philharmonie im Gasteig Tel: 49-89-8086825 ... Anne-Sophie Mutter and Lambert Orkis: the violinist and pianist perform works by Brahms, Debussy, Beethoven, De Sarasate and Wieniawski...

GLASGOW CONCERT Glasgow Royal Concert Hall Tel: 44-141-3326633 ... Wiener Philharmoniker: with conductor Riccardo Muti perform Mozart's Symphony No.34 in C, K338 and Bruckner's Symphony No.7 in E...

LAUSANNE CONCERT Salle du Métropole Tel: 41-21-3122707 ... Orchestre de Chambre de Lausanne: with conductor Michel Swierczewski and pianist Vladimir Vardo perform works by Beethoven, Ravel and Weill...

LEIPZIG OPERA Oper Leipzig Tel: 49-341-1261261 ... Die Entführung aus dem Serail: by Mozart. Conducted by Paikó and performed by the Oper Leipzig and the Gewandhausorchester...

LINZ CONCERT Brucknerhaus Tel: 43-732-7612 ... James Galway and Phillip Moll: the flautist and pianist perform works by Beethoven, Schubert, Czerny and Doppler...

LONDON AUCTION Christie's South Kensington Tel: 44-171-5817611 ... Lalique Glass and 20th-Century Bronzes: including a stylised brass head of a young woman by Hageneur...

OSLO EXHIBITION Kunstindustrimuseet i Oslo - Museum of Applied Arts Tel: 47-22-203573 ... Royal Glass: the exhibition presents an overview of the glass used at the Danish court...

PARIS CONCERT Salle Gaveau Tel: 33-1-49 53 05 07 ... Victoria De Los Angeles: accompanied by pianist Albert Guinovart. The soprano performs songs by R. Schumann, Brahms and De Falla...

ZURICH CONCERT Tonhalle Tel: 41-1-2063434 ... Tonhalle-Orchester: with conductor Matthias Bamert and violinist Viktoria Mullova perform works by Pärt, Stravinsky and Sibelius...

BRUCKNER'S SYMPHONY NO.7: 8.30pm; May 9 DANCE Cité de la Musique Tel: 33-1 44 84 45 00 ... Carolyn Carlson: performance by the dancer, accompanied by saxophonist John Surman...

MADRID EXHIBITION Fundación Cultural Mapfre Vida Tel: 34-1-5811628 ... Postmodernism. Alegorías de la muerte en el arte español contemporáneo: exhibition focusing on death as a theme in the work of Spanish contemporary artists...

ROME CONCERT Accademia Nazionale di Santa Cecilia Tel: 39-6-3611054 ... Itzhak Perlman and Bruno Canino: the violinist and pianist perform works by Mozart, Faure and Franck...

ROTTERDAM CONCERT De Doelen Tel: 31-10-2171700 ... Radu Lupu: the pianist performs works by Beethoven and Schubert; 8.15pm; May 9

SAN FRANCISCO CONCERT Louise M. Davies Symphony Hall Tel: 1-415-864-6000 ... San Francisco Symphony: with conductor Herbert Blomstedt, soprano Christiane Oelze, mezzo-soprano Dalia Schaechter, tenor John Aler and bass Matthias Gierme perform works by J.S. Bach and Bruckner...

STOCKHOLM CONCERT Stockholms Konserthus Tel: 46-8-7860200 ... Filharmonikerna: with conductor Andrew Davis and mezzo-soprano Anne Sofie von Otter perform works by Dukas, Berlioz and Ravel...

STRASSBURG CONCERT Palais de la Musique et des Congrès Tel: 33-38 37 87 87 ... St Petersburg Philharmonic: with conductor Sir George Solti perform Beethoven's Symphony No.5 and Tchaikovsky's Symphony No.8...

TOKYO CONCERT Kioi Hall Tel: 81-3-32370081 ... Maria João Pires and Augustin Dumay: the pianist and violinist perform works by Schubert, Grieg and Brahms...

VALENCIA CONCERT Palau de la Música I Congressos Tel: 34-6-3375020 ... Orchestra of the Metropolitan Opera House: with conductor James Levine and soprano Renée Fleming perform works by Dvořák, R. Strauss, Bartók and Gershwin...

VIENNA CONCERT Konzerthaus Tel: 43-1-7121211 ... Camerata Academica: with conductor Sándor Végh, violinist Alexander Janiczak, cellist Christoph Richter and pianist Alexander Lonquich perform works by Haydn and Beethoven...

OSLO EXHIBITION Kunstindustrimuseet i Oslo - Museum of Applied Arts Tel: 47-22-203573 ... Royal Glass: the exhibition presents an overview of the glass used at the Danish court...

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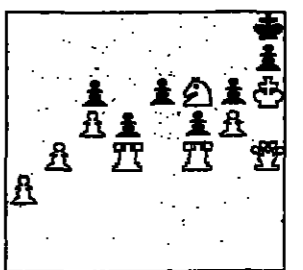
CHESS

The International Chess Federation (Fide) has cancelled plans to stage its Karpov v Kamsky world title final in Iraq, after widespread protests and a threat by US authorities to prosecute Kamsky for sanctions busting.

The new venue is Kalmykia, the Caucasian republic ruled by Fide's president Kirsan Ilyumzhinov, but Kamsky says he will not compete there, citing safety fears and the lack of a bank guarantee for the SFPrm (£538,000) prize fund.

The beaten semi-finalist Salov may substitute under Fide rules. Salov, once a top 10 GM, is in poor form, so pairing him with Karpov will further diminish the credibility of this long-delayed match.

A messy saga, indeed. There is better news on the computer front, where Kasparov's victories in his later games against IBM Deep Blue have sparked top GMs to copy his anti-computer techniques of aiming for blocked positions and avoiding obscure tactics.



White mates in three moves, against any defence (by R Goette). An eye-catching position which can prove a frustrating search for the route through Black's pawn barrier. Solution Page 11

BRIDGE

North is a wily old bird renowned for his obscure bidding ideas. Following a disagreement, he will canvass club members in search of concurrence. Usually unsatisfied, he returns home, where his wife learnt long ago that capitulation breeds harmony.

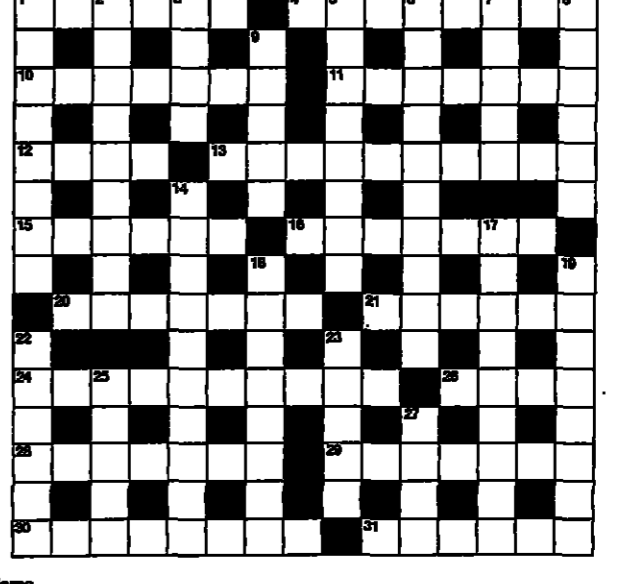
Here, his bid was far from esoteric. Indeed, it was standard Acol, yet it provoked consternation.

Handwritten bridge notation showing a sequence of bids: N 10 6 3 2, S 8 6 3, N 4 2, S 4 2, N 4 2, S 4 2, N 4 2, S 4 2.

At Game 5, South opened 1NT. West passed and our hero, North, responded 2C - Stayman. East passed, South replied 2S and this was passed.

CROSSWORD

No. 9,060 Set by CINEPHILE. A prize of a classic Pelikan Souvenir 800 fountain pen for the first correct solution opened and five runner-up prizes of 250 Pelikan vouchers.



- ACROSS: 1 Type of guide, unfinished, to classical author (6); 4 Goose on shipboard? (6); 10, 24 Played with tool after 3 (6); 11 Illustration on page added for modesty (3,4); 12, 3 Fellow with car turning back in piece to take cases (4,4); 13 One promising to do funerals (10); 15 Position of sculpture finishing in the wrong direction (6); 16 Slight wound is no handicap (7); 20 What the batsman should do in confrontation? (7); 21 Bird about fifty - duck possible (6); 24 See 10 and 6; 26, 27 Exact copy of obsolete cooker? (4,4); 28 Rustic brings vegetables to insect (7); 29 File must be cooked as a stimulant (7); 30 Work such as Paradise Lost or the Odyssey, read aloud (8); 31 Means of surveying sporting arenas (6).

WINNERS 9,048: J.C. Burr, Hounslow, Middlesex; Col Mike Hoare, Bourg de Vaux, France; G.M. Holmes, Tunbridge Wells, Kent; J.M. Robinson, London SE25; Mr & Mrs R. Topham-Smith, Newmarket, N. Walton, Kennington, Kent.



James Morgan

Hard at work remembering May Day

Welfare and unemployment squabbles have hijacked the annual celebration of labour

This week the great festival of European labour was celebrated, May 1. But it was marked by a newer European tradition: rows about cuts in welfare benefits and further increases in unemployment. It is sad to see many ancient customs disappear. In Germany the greatest benefit enjoyed by the working class has been that known as *Lohnfortzahlung*. It means "continued wage payment" and has been the most common word, or phrase, used in the German press in recent weeks. For any student of comparative welfare systems, the *Lohnfortzahlung* represents an

ideal which many seek but few, even in France or Sweden, have matched. It means that an employer continues to pay, for six weeks, the full wage of an employee who is unable to work because of sickness. That payment has been based on the wage received in the final week before illness strikes. So it is that when an employee feels that he might be about to fall sick, he works the maximum level of overtime. He will then get that same wage while recuperating at home or on a beach. In return for working, he is entitled to a "rest cure" of four weeks every few

years, in addition to his six weeks' annual leave. It is only recently that such benefits have become a matter of public concern, partly because they are seen as a cause of the unusually high unemployment and budget deficits suffered by the Federal Republic. That unemployment appears to be a cause of stress: when a colleague scoured Berlin the other day for jobless people to participate in a programme on the German employment crisis, she was told by potential subjects that they were "too busy" to help. Germany has still not introduced any kind of *Lohnfortzahlung* for

those who are unemployed. (Denmark has, however, managed something similar, offering the jobless "sabbaticals" whereby they do not have to visit the local employment office to collect their benefits when they might wish to go on holiday or pursue some private venture.) Developments in Germany are, as always, watched closely in France. "Will Germany face a social crisis comparable to that which we experienced at the end of last year?" asked *Sud-Ouest*. In this question there was none of the *Schadenfreude* that has characterised similar British views of the

same situation. France has based its *accord republicain* on *Modell Deutschland* and, therefore, feels the two ships will sink together. For the still-surviving communist daily, *Humanité*, the message of May 1 this year was, not surprisingly, that future social policy will be based on a rejection of the ideals of Labour Day. The Feast of St Joseph or whatever you care to call it. President Chirac, said *Humanité*, would govern from the opposite direction. From a different part of the political spectrum, the *Frankfurter Allgemeine Zeitung* came to a similar conclusion. Social Democracy

was finished. "Among leaders of the European left, only the Labour party's Tony Blair shines out," it said. He is lucky for he does not have to clear away the welfare state; Margaret Thatcher did it for him. "Social Democrats will for a while longer stride shoulder to shoulder on May 1 and deign to sing the old songs. And when they look back at the old century which was supposed to be theirs, they will rightly say: 'We never killed anybody. And that is something in this century.'" Then, concluded the *FAZ*, perhaps they will remember the first ideas of European socialism: "Self-

help, comradeship and freedom." This is unusual in both form and content: the view is persuasive and it is expressed with verve and clarity. *FAZ* editorials rarely manage both. Anyway, we can conclude that the workers' May Day has had its day. We shall have to go back to an earlier tradition. The English maypole should become a new Euro-symbol, associated as it is with the vernal celebration of fertility. In a Europe of falling birth rates and meagre sperm counts, that makes sense. **James Morgan is BBC World Service economics correspondent.**

Royalty

Boxing clever with a wayward family

Queen Beatrix of the Netherlands is termed the general manager. And she likes to use her powers, says Christian Tyler

The curriculum vitae issued by the palace reads like a corporate brochure, its chief executive profiled under no-nonsense headings such as "personal particulars", "education" and "marital status".

Queen Beatrix of the Netherlands has a crown, but she never wears it. She lives in the *Huis ten Bosch* (the "house in the woods") conveniently close to her office, the Noordeinde ("north end") Palace in The Hague. She changes her personal staff - all save the gardeners - every few years. She pays tax on her considerable private income and insists on strict family discipline.

She is, in other words, a monarch who likes to see herself as employed in the reigning business. "We call her the general manager of the kingdom of Holland," says Jessa van Vonderen, the government press spokesman who handles palace affairs.

Queen Beatrix likes to go to the limit of her restricted powers. In private audience she will ask ministers to think again. In public she has expressed support for European union, criticised lax environmental standards, lectured the Dutch about morality and chided their intolerance of immigrants.

She gets away with it because although her limits are set by the constitution, their everyday interpretation depends on how well the monarch gets on with her prime minister - the Christian Democrat Ruud Lubbers for most of her reign - who with his ministers takes responsibility for her every public utterance or action.

Not only does Beatrix get away with it, she has succeeded in rendering redundant, at least in her own country, the question of why the monarchy is allowed to continue at all.

"As a serious party, even of the left, we are not in a hurry to ask such questions," says Peter Rehwinkel, a young Labour MP and constitutional expert. "We don't make politics out of the monarchy. If the Dutch wanted a president, they would probably choose the Queen in any case. She is a very intelligent woman, a perfectionist, very business-like."

Strong-willed, even arrogant, as a girl, Beatrix has earned general respect for her no-nonsense manner. She is not loved in quite the way her mother Queen Juliana was: it was Juliana who rode around on her bicycle in order to get closer to the people. Beatrix owns a bicycle, too, but rides it only in the palace park. Juliana, it is said, had something of the social worker about her: she was motherly, tolerant and liked to be called simply "Madam".

On her succession in 1980, Beatrix, now 58, made it plain that she was to be addressed as "Your Majesty". Beatrix appears to have inherited



Queen Beatrix (left) and Prince Willem-Alexander: the boss of the family firm can afford to take no chances when it comes to grooming a successor for the chairman's seat

the robustness of her grandmother Queen Wilhelmina, whom Sir Winston Churchill described as "the only man in the Dutch government" while she was leading the resistance to the Nazis from London during the second world war. Queen Beatrix is also financially secure. Indeed, she is reputed to be one of the richest women in the world, not far behind the Queen of England. She is said to be a large holder of Royal Dutch/Shell equity - if so, the holding is less than 5 per cent because it does not appear in her tax declaration. If the family's financial position is more than sound, its political security is enhanced by a device which we may call The Royal Box. Inside the box are those members of the family firm who are in the line of succession and for whose

actions and words therefore the politicians will take responsibility. They include the Queen's mother and father, Juliana, 87, and Prince Bernhard, 84, Queen Beatrix and her husband Prince Claus, 69, and their three sons. Also included is the "assistant queen", Beatrix's sister Margriet, 53, her husband Pieter van Vollenhoven and their four children. But when the crown prince Willem-Alexander succeeds - assuming he does - then his children will come into the box and the cousins will fall out. This damage limitation device - which is not the same thing as the civil list - was introduced in 1978 against the wishes of Juliana. The "box", and the fact that only the five principal royals get an allowance from the taxpayer, means that the misbehaviour of minor royals



can officially be described as "a matter of no public interest". So, for example, the nonconformist love lives of the queen's two other sisters are said to leave no stain on the monarch herself. Prince

Irene put herself beyond the pale, out of the box, by secretly marrying a Catholic Bourbon pretender to the Spanish throne - from whom she was later divorced. Princess Christina married a Cuban refugee and social worker in New York, and has also divorced. Worse things have happened to the family than erratic marriages; and they help to explain the harsh internal regime introduced by the "manager of the kingdom". The most serious came in 1976 when the then prince consort Bernhard was implicated in the Lockheed bribes scandal. At first it was denied that he had received payments in return for pushing contracts for the US aircraft company. Beatrix threatened to renounce her title if her father were prosecuted. The threat worked, but the truth

later admitted and Bernhard was stripped of many functions. "Lockheed changed the family's behaviour by making them aware of their political weakness," said Harry van Wijnen, former political correspondent of *NRC Handelsblad* and author of a book on the prince. Twenty years before the Lockheed scandal there had been a strange affair involving a faith healer called Greet Hofman who was said to have communist connections and to have become, Rasputin-like, a dangerous influence at the palace. Hofman had been brought in by Queen Juliana to treat her daughter Christina for an eye defect caused by German measles, for which the mother blamed herself. Prince Bernhard ordered Hofman

out, putting a further strain on already bad marital relations. When, according to one newspaper editor, Juliana consequently sought a divorce from Bernhard in the 1950s, the then prime minister refused it on the grounds that it would provoke a constitutional crisis. Little if any of this was reported in the Dutch press of the day.

Beatrix herself had to contend with hostility when her engagement to the German Claus von Amsberg was announced, even though both her mother and grandmother had married Germans. As a youth Claus had briefly served in the Wehrmacht. Today, he is described as the most popular member of the family and received great public sympathy during his two nervous breakdowns and a continuing battle with a mild form of Parkinson's disease.

The managerial skill of Queen Beatrix will be tested again when the time for the succession comes. It may be, as van Wijnen claims, that she rules her household with a rod of iron. But her 28-year-old son and heir, Willem-Alexander, the Prince of Orange, is known to the weekly magazine *Privé* as "The Prince of Fun".

"He is a nice guy, but not serious enough," says Willem Smitt, joint founder and editor of the gossip magazine. "He is not preparing himself for heavy duty." For example, Willem-Alexander once excused himself from a Belgian state visit saying he was revising for his exams, but the same afternoon he was seen racing a car round a local circuit. Earlier this year *Privé* supported an animal rights campaign to stop the prince hunting wild boar in the royal domain, accusing him of being a bad shot who wounded his prey.

Smitt, a jovial chain-smoker in braces, uses this and other incidents of public concern to justify tailing the prince and publishing scoops about his girlfriends. The latest date, whose existence is officially denied, has been left alone because she is doing a course at KLM, the Dutch airline. "At the moment it's boring to tail her," the editor said.

But 10 years ago, a *Privé* story that the prince had spent the night in the Amsterdam Hilton with a young blonde after taking her to the inappropriately named Juliana's nightclub brought down the wrath of the palace. Prince Claus sued, the witnesses fell silent, and the magazine had to pay costs.

Whatever they may think of the crown prince, the editors' policy is not to go too far. "If we appear to be against the family, it costs us readers," Smitt said.

Short of a serious scandal, the only thing that could disrupt the Dutch royal succession is the fear that the crown prince, whose chief interests appear to be beer and fast cars, is not up to the job.

The Dutch monarchy has never been more popular, according to a close adviser. But in the view of political pundits it works only so long as the occupants are good at their work.

The boss of the family firm can afford to take no chances when it comes to grooming a successor for the chairman's seat.

Next week: Succession pains in Belgium.

One does not usually expect to clock in and out of a church service. But the priest in the southern Portuguese village of Reguengos de Monsaraz is refusing to carry out baptisms, weddings or funeral services unless parishioners spend a minimum number of hours at church every week.

The situation came to a head recently with the death of Manuel Faria, the local barber. Father Eduardo Manso Inacio, the Catholic priest, refused to conduct a service, or even allow the church bells to ring. Faria's son Vitor was so angry that he has written to the local bishop and to the Pope to complain. "The minimum one expects from a priest is that he carries out a decent funeral."

In the village square, talk is of little else. "Father Eduardo will be putting up a sliding scale next," grumbles the owner of the chemist's shop. "Five hours a week for a baptism, 10 for a wedding, 15 for a funeral without bells and 20 with

It's a scandal." Father Eduardo is unrepentant. "Just as those who don't want to work have no right to eat, then those who don't go to church regularly have no right to my services."

The village of Reguengos de Monsaraz is in the province of Alentejo, the second poorest region in the whole of Europe, and locals point out that with such a struggle to survive, they do not always have time to attend mass.

Inacio has been priest of the village for 20 years and only recently adopted his hardline position. His stance coincides with the arrival in the village of the Universal Church of the Kingdom of God, a Brazil-

based evangelical sect which is also winning converts all over Portugal.

"He thinks he is King of Reguengos," says Vitor Faria. "He is building up his congregation by fear." If so, the strategy may be working. At the Casa da Palmeira hotel, the female receptionist admitted: "We are all going to mass regularly now because we are scared that otherwise Father Eduardo will not do our weddings and christenings."

Father Eduardo of Reguengos is not the only Portuguese priest causing ructions in his parish, according to Luis Martinho Antunes, a sociology professor at Lisbon's Catholic University, who specialises in reli-

Letter from Portugal

Case of the troublesome priest

The Catholic Church is starting to act tough, reports Christina Lamb

gious issues. "There are similar conflicts all over the country," he says, recalling that earlier this year the bishop had to intervene at a church in Guarda to stop the local priest parking his jeep inside the nave because he did not trust his own parishioners not to steal it.

"The problem is that priests in Portugal tend to be very old and have not kept up with the changing situation of the country," Antunes explains. While the leadership of the church may have adapted, the rest of the clergy has not. The average age of the country's 5,000 priests is 63.

The country that once considered itself "standard bearer of the faith",

has changed so much that it has recently elected an openly atheist president, Jorge Sampaio.

Having an atheist as head of state has set off a national debate about how the Church should respond to modern day realities. Just as in the village of Reguengos, the biggest challenge is the growth of evangelical sects, principally the Universal Church of the Kingdom of God.

Portugal has only had religious freedom since the 1974 revolution and the last few years have seen the arrival of various movements from overseas as well as some home-grown ones, while those regularly attending Sunday mass has fallen

to 25 per cent of the population. The controversial Universal Church is having phenomenal success in Portugal; it has animated services where speaking in tongues is common, as are promises miracles and riches. As Antunes points out: "The Catholic church is used to having a monopoly here. It does not yet know how to react to all the diversity suddenly on offer."

So intense is the battle for souls that in some areas Universal Church meetings have degenerated into bloody clashes. In various towns in the north of Portugal such as Matosinhos, buildings used to be the Universal Church have been set on fire and riot police called in

when members of the sect have been attacked as they leave services.

The headquarters of the Universal Church in Lisbon recently issued a report entitled "Inquisition in Portugal" in which it openly accused the Catholic Church of instigating the violence.

One problem is that the Catholic church does not have enough priests. The last decade has seen the number fall by 10 per cent and though new priests are entering the church, it is no way compensates for the large numbers dying off.

Church leaders have encouraged local priests to respond by becoming more evangelical and more involved in community service. Although this strategy has generally been successful, it is rejected by a growing movement of hardliners such as Father Eduardo. He insists: "In my 20 years here in Reguengos I've done everything to conquer the people. They have rejected the church, so the only answer is to become firmer."

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WEEKEND INVESTOR

Results due next week

Table with columns: Company, Sector, Announcement date, Last year, This year, Dividend per share.

Directors' share transactions in their own companies

Table with columns: Company, Sector, Shares, Value £'000, No of directors.

Dividends are shown net of tax and are adjusted for any intervening stock splits. Reports and accounts are not normally available until about six weeks after the board meeting.

Last week's preliminary results

Table with columns: Company, Sector, Year, Pre-tax profit (£'000), Earnings per share (p), Dividends per share (p).

Last week's interim results

Table with columns: Company, Sector, Year, Pre-tax profit (£'000), Earnings per share (p), Dividends per share (p).

Asia is a potent. Easy money, strong capital inflows and rising demand for food and energy have driven up prices there already.

Food makes up a much bigger share of the consumer basket in poorer Asia (including China) than elsewhere - 35 to 60 per cent as opposed to just 15 to 25 per cent in the OECD.

Who will gain and who will be hit if inflation rises from the dead? It will affect most emerging economies hardest.

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Directors' dealings

The buy/sell ratio for the month looks closer to parity than for a long time, suggesting that directors are not hanging around the market any longer.

The debate about inflation has centred on two key questions. Has pricing power slipped permanently into the hands of consumers?

Also on Thursday, the government shocked the electricity industry by signalling it would block bids for National Power and PowerGen until there was more competition in power generation.

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In the Pink

Inflation is pronounced dead - but it will rise again

Excess money creation in Asia will feed into Europe and the US through rising commodity prices, says David Roche

David Roche, is president of Independent Strategy, a global investment research consultancy

Should the transfer be within a country, and should it be spent rather than saved by the recipient, it has little effect on that country's economic demand.

But if, like France, higher oil prices simply flow out of the country into higher savings.

Early in the 1990s, corporations shrank, downsized, rationalised, re-engineered and just-in-timed in order to compete in the arduous world where the consumer had the upper hand.

It was the era of Pricing Power to the People. Now, companies have reached the critical point in their supply curves where corporate pricing power is re-emerging.

Most of the big corporate rationalisation gains have been made. So, as global growth picks up, falling productivity will spell higher unit costs which, for the first time, can be passed on in price inflation.

Who will gain and who will be hit if inflation rises from the dead? It will affect most emerging economies hardest, since food and energy are such big items for poorer people and countries.

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Alternative Investment Market

La Senza will be valued at £50.3m when the lingerie retail chain joins the Alternative Investment Market next week, writes Christopher Pease.

The shares, representing nearly 40 per cent of the issuer's share capital, have been placed with institutions at 150p each via Williams de Broe.

The remainder will be held by Suzi Shier, La Senza's Canadian parent company. The company is raising £19.4m net of expenses, to be used for expansion. Twenty-two stores have been

opened in the UK already over the past 18 months and there are plans for a further 150 outlets during the next five years.

La Senza made pre-tax losses of £1.7m on sales of £10.3m last year. It forecasts break-even in the year to February 1 1997, with turnover doubling to £21.7m.

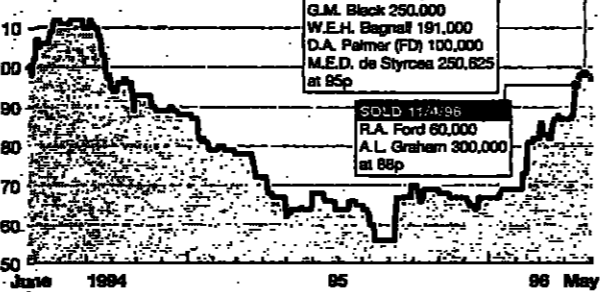
Waterfall Holdings, the leisure and entertainment group, has joined AIM following a £4.1m placing. The funds will be used to help pay for the £6.5m acquisition of nine snooker and pool clubs from First Leisure.

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Chesterton International



Source: The Inside Track, Edinburgh

Share price (pence) chart showing a steady increase from 75p in June 1994 to over 110p in May 1996.

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Advertisement for Offshore ELSA 60 Account, Offshore Step-Up Account, and Offshore Tax Deducted Account. Features include 200% of the FT-SE 100 growth, a return that beats the top 10, and no tax liability. Includes an illustration of a person in a boat.

Discover how far your money can go offshore

Venturing offshore can pay handsome dividends. A point that's extremely well demonstrated by our three new accounts. Offshore Equity Linked Savings Account (ELSA) - 200% of the growth of the FT-SE 100 after 5 years.

Offshore 60 - rates that we guarantee will beat the average rates of comparable accounts offered by the offshore subsidiaries of the Top Ten UK building societies.

Form for Birmingham Midshires (Guernsey) Limited, including fields for Name, Address, Postcode, and Country.

Small print and disclaimer text at the bottom of the advertisement.

COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS Lead prices hit 5 1/2-year highs

Lead prices surged to 5 1/2-year highs at the London Metal Exchange this week as US investment funds plunged into the market.

The drawdown from LME stocks has been interrupted by the three months delivery price closed yesterday at \$943.25 a tonne.

Recent weeks, but the total remains uncomfortably low. A 350-tonne fall this week left the figure at 89,075 tonnes.

The market has shaken off its bearish trend and is turning bullish, said one trader.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities like Gold, Silver, Copper, Lead, Zinc, Nickel, Tin, and various oils.

BASE METALS LONDON METAL EXCHANGE

Table for Base Metals London Metal Exchange showing prices for Gold, Silver, and various alloys.

PRECIOUS METALS COMEX continued

Table for Precious Metals COMEX showing prices for Gold, Silver, and Platinum.

GRAINS AND OIL SEEDS WHEAT LCE (c/tonne)

Table for Grains and Oil Seeds showing prices for Wheat, Soybeans, and other grains.

SOFTS COCOA LCE (c/tonne)

Table for Softs showing prices for Cocoa, Coffee, and other soft commodities.

MEAT AND LIVESTOCK LIVE CATTLE CME (c/100 lbs)

Table for Meat and Livestock showing prices for Live Cattle, Hogs, and Pigs.

ENERGY CRUDE OIL NYMEX (c/barrel)

Table for Energy showing prices for Crude Oil, Heating Oil, and Natural Gas.

WORLD BOND PRICES

Table showing world bond prices for various countries and maturities.

MARKET REPORT

By Lisa Branstetter in New York and Saimon Iskander in London

A surprisingly weak April employment report failed to cheer the US Treasury market, which held steady yesterday.

In early afternoon trading, the benchmark 30-year Treasury was off 1/8 at 86 1/2.

Bonds spiked briefly higher after the Labor department said 2,000 non-farm jobs were created in April.

On Thursday bonds tumbled after stronger-than-expected figures on gross domestic product growth triggered fears of an emergence of inflationary pressures.

Some on Wall Street had hoped that a weak jobs figure would help the market recover some of its losses.

But Wall Street was troubled by some of the underlying data in yesterday's jobs report, particularly the 0.6 per cent advance in average hourly earnings.

Mr John Spinello, a government securities strategist at Merrill Lynch, called the wage component "disturbing" given that much of last year's bull market for bonds was based on steady wage costs.

UK gilts opened lower after disappointing results for the governing Conservatives on Thursday's local elections, and fell further in the wake of volatile US Treasuries.

Life's long-gilt future settled at 104 1/2, down 1/4. German bunds showed a poor performance.

Life's June bond future closed at 95.80, down 0.60. In the cash market, the 6 per cent bond due 2006 fell 0.65 point to 95.88, allowing the yield premium of Treasuries over bunds to narrow by 7 basis points to 43.

French OATs closely mirrored the bond market's performance. Matif's June notional future settled at 112.62, down 0.64.

The 10-year benchmark OAT lost 0.61 point to 105.27, leaving the yield spread over bunds unchanged at 4 basis points.

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US INTEREST RATES

Table showing US interest rates for Treasury bills and bonds.

BOND FUTURES AND OPTIONS

Table showing bond futures and options prices for various maturities.

LONG TERM FRENCH BOND OPTIONS (MATIF)

Table showing long term French bond options prices.

GERMANY NATIONAL GERMAN BOND FUTURES (MATIF)

Table showing German national bond futures prices.

BUND FUTURES OPTIONS (LIFFE)

Table showing bund futures options prices.

ITALY NATIONAL ITALIAN GOVT. BOND (BITF) FUTURES

Table showing Italian national government bond futures prices.

SPANISH NATIONAL SPANISH BOND FUTURES (MEFF)

Table showing Spanish national bond futures prices.

UK NATIONAL UK GILT FUTURES (LIFFE)

Table showing UK national gilt futures prices.

UK GILTS PRICES

Table showing UK gilt prices for various maturities.

UK GILTS PRICES (continued)

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Table showing UK gilt prices (continued).

US TREASURY BOND FUTURES (CBT)

Table showing US Treasury bond futures prices.

EURO BOND FUTURES (MATIF)

Table showing Euro bond futures prices.

FT-ACTUARIES FIXED INTEREST INDICES

Table showing FT-actuaries fixed interest indices.

FT FIXED INTEREST INDICES

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UK GILTS PRICES (continued)

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MAY 5 1996

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 673 4376 for more details.

Table of financial data for various fund categories including FT Cityline Unit Trusts, FT Managed Funds, and other investment vehicles. Columns include fund names, prices, and performance metrics.

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Money Market Trust Funds

Table listing Money Market Trust Funds with columns for fund name, price, and performance.

Money Market Bank Accounts

Table listing Money Market Bank Accounts with columns for bank name, account type, and interest rate.

GUCCI advertisement featuring a watch image and text: 'GUCCI TIMEPIECES ARE AVAILABLE FROM GUCCI BOND STREET, W1, GUCCI SLOANE STREET, SW1, HARRODS AND SERVICIOS. ALSO AT SELECTED BIRNIE JONES, LESLIE DAVIS, GOLD'S, WALKER AND HALL, WATCHES OF SWITZERLAND, HAPPA'S WEBS, SEWERSBOOKS AND OTHER FINE JEWELLERS.'

MANAGEMENT SERVICES

Table listing various Management Services with columns for service name, provider, and details.

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OFFSHORE AND OVERSEAS

BERMUDA (SIB RECOGNISED)

Table listing Bermuda funds including Fidelity Curvay Funds Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd, and others with columns for Name, Price, and % Change.

BERMUDA (REGULATED)**

Table listing regulated Bermuda funds including Bermuda Investment Managers Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd, and others.

GUERNSEY (SIB RECOGNISED)

Table listing Guernsey funds including ABN AMRO Funds (SIB), Fidelity Curvay Funds Ltd, and others.

GUERNSEY (REGULATED)**

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IRELAND (SIB RECOGNISED)

Table listing Ireland funds including ABN AMRO Funds (SIB), Fidelity Curvay Funds Ltd, and others.

IRELAND (REGULATED)**

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LET Asset Management Ltd

Table listing LET Asset Management funds including LET Asset Management Ltd, LET Asset Management Ltd, and others.

Deluxe Europe Fund Mgrs Ireland Ltd

Table listing Deluxe Europe Fund Mgrs Ireland funds including Deluxe Europe Fund Mgrs Ireland Ltd, Deluxe Europe Fund Mgrs Ireland Ltd, and others.

ISLE OF MAN (REGULATED)**

Table listing Isle of Man regulated funds including AXA Equity & Law Intl Fund Mgr, AXA Equity & Law Intl Fund Mgr, and others.

JERSEY (SIB RECOGNISED)

Table listing Jersey funds including AXA Equity & Law Intl Fund Mgr, AXA Equity & Law Intl Fund Mgr, and others.

JERSEY (REGULATED)**

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LUXEMBOURG (SIB RECOGNISED)

Table listing Luxembourg funds including AXA Equity & Law Intl Fund Mgr, AXA Equity & Law Intl Fund Mgr, and others.

LUXEMBOURG (REGULATED)**

Table listing regulated Luxembourg funds including AXA Equity & Law Intl Fund Mgr, AXA Equity & Law Intl Fund Mgr, and others.

Fidelity Funds - Cont'd

Table listing Fidelity Funds including Fidelity Curvay Funds Ltd, Fidelity Curvay Funds Ltd, and others.

Various International Funds

Table listing various international funds including various international funds, various international funds, and others.

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FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

Table of fund prices and performance metrics, including columns for fund name, price, and change.

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OFFSHORE INSURANCES

Table of offshore insurance products and their details.

MANAGED FUNDS NOTES: Detailed information regarding fund management, including performance metrics and risk factors.

WORLD STOCK MARKETS

NORTH AMERICA

UNITED STATES (May 3 / US\$)

Table of US stock market data including S&P 500, Dow Jones, and various sector indices.

Table of Canadian stock market data including the Toronto 300 index and various sector indices.

Table of European stock market data including the Nikkei 225, DAX, and various European indices.

Table of Asian stock market data including the Hang Seng, Nikkei, and various Asian indices.

Table of other international stock market data including the FTSE 100, ASX, and various global indices.

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INDICES

Table of various international stock indices including the Nikkei, DAX, and FTSE 100.

US INDICES

Table of US stock market indices including the S&P 500, Dow Jones, and various sector indices.

AFRICA

Table of African stock market data including the Johannesburg Stock Exchange (JSE).

PACIFIC

Table of Pacific stock market data including the ASX and various Asian indices.

INDICES

Table of various international stock indices including the Nikkei, DAX, and FTSE 100.

INDEX FUTURES

Table of index futures data including S&P 500, Dow Jones, and various sector futures.

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Table of African index futures data including the JSE.

PACIFIC

Table of Pacific index futures data including the ASX and various Asian indices.

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Table of various international stock indices including the Nikkei, DAX, and FTSE 100.

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LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from the London Stock Exchange Official List and should not be reproduced without permission. Details relate to those securities not included in the FT Shares Information Services. Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Tailsman system; they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded on Thursday's Official List the latest recorded business in the four previous days is given with the relevant date. † Bargains at special prices. ‡ Bargains done the previous day.

British Funds, etc

Treasury 10 3/4% Stk 2000/03 - 122 1/2 (11/95)
Dumfries Metropolitan Borough Council 7 1/2% Red Stk 2000/03 - 122 (11/95)
Dumfries Metropolitan Borough Council 7 1/2% Red Stk 2000/03 - 122 (11/95)

Corporation and County Stocks

Birmingham District Council 11 1/2% Red Stk 2000/03 - 122 (11/95)
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Foreign Stocks, Bonds, etc (coupons payable in London)

Abney National Treasury Servs PLC 8 1/2% Gld Bds 2003 (8 1/2) - 307 1/2 (11/95)
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Sterling Issues by Overseas Borrowers

Bank of Greece 10 1/4% Ln Stk 2000/03 - 122 (11/95)
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Listed Companies (excluding Investment Trusts)

ABF Investments PLC 5 1/2% Ln Stk 87/2002 - 307 1/2 (11/95)
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FT-SE ACTUARIES INDICES

The FT-SE Actuaries Share Indices are calculated by FT-SE International Limited in conjunction with the Faculty of Actuaries and the Institute of Actuaries.
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Investment Trusts

Anglo & Overseas Trust PLC 4 1/2% Cum Div Stk 2000 - 122 (11/95)
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Investment Trusts (continued)

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LONDON STOCK EXCHANGE

MARKET REPORT

Big insurance merger cushions market slide

By Steve Thompson, UK Stock Market Editor

London's equity market suffered another significant setback yesterday but the fall was limited by the surprise announcement of a £5.4bn merger between Sun Alliance and Royal Insurance, two of the UK's biggest composite insurers.

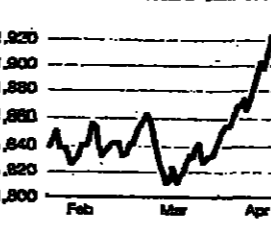
The other big worries for the market, the outcome of the local elections across England and the market's initial response to the collapse of the BT/Cable & Wireless merger talks, although upsetting, were relatively well absorbed.

London was also reassured by a comforting opening performance yesterday by Wall Street, which responded positively to an April non-farm payroll report showing much lower than expected job creation in the US.

Over the week, during which Footsie always looked likely to drop back through the 3,800 level, the index retreated 81.2, or 2.1 per cent, while the Mid 250 lost 1.3 per cent.

Marketmakers, taken completely by surprise by the insurance merger news, nevertheless chopped their opening quotations for the market leaders, to accommodate the end of the telecoms merger discussions and to dissuade institutions from

FT-SE-A All-Share Index



Equity shares traded

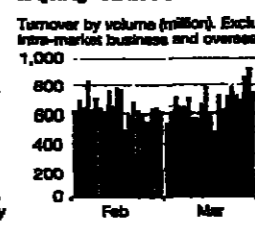


Table with columns: Index, Closing index for May 3, Change over week, etc.

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TRADING VOLUME IN MAJOR STOCKS

Table listing trading volume for various stocks like ASA Group, Biffaward, etc.

EQUITY FUTURES AND OPTIONS TRADING

Table showing stock index futures and options trading data.

NEW 52 WEEK HIGHS AND LOWS

Table listing new 52 week highs and lows for various stocks.

INSURERS' DEAL FIRES

It is abnormal for the insurance sector to react well in the face of a slide in gilts, US equities and UK stocks.

CHIEF PRICE CHANGES YESTERDAY

Table listing price changes for various stocks like AAF Inds, Golden Rose, etc.

FT-SE Actuarial Share Indices

Table showing FT-SE Actuarial Share Indices for various sectors.

The UK Series

Table showing various UK economic and market series data.

FT-SE-A INDICES - LEADERS & LAGGARDS

Table listing FT-SE-A indices leaders and laggards.

Hourly movements

Table showing hourly movements for FT-SE 100, FT-SE Mid 250, etc.

FT-SE Actuarial 350 Industry baskets

Table showing FT-SE Actuarial 350 industry baskets data.

Hourly movements

Table showing hourly movements for various indices.

Pearson slides

Pearson, the media conglomerate which owns the Financial Times, slipped 1.8 to 577p, after issuing a profits warning over its US software subsidiary, acquired at a premium rating in 1994.

Telecoms stocks led the Footsie

Telecoms stocks led the Footsie and BT marked down sharply from the outset on news of the groups' doomed merger talks.

FT-SE Actuarial 350 Industry baskets

Table showing FT-SE Actuarial 350 industry baskets data.

Hourly movements

Table showing hourly movements for various indices.

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£2,000 nominal debentures 1996/2000 Series ("Centre Court Debentures")

Advertisement for Fidelity Active Trader with a pie chart showing 54% Fuelwood, 12% Pulpwood, 7% Other Industrial, and 27% Sawlogs.

Advertisement for Fidelity Brokerage with contact information and a list of services.

Advertisement for The All England Lawn Tennis Ground plc with details on debentures.

LONDON SHARE SERVICE

ALCOHOLIC BEVERAGES

Table of stock prices for Alcoholic Beverages sector.

CHEMICALS

Table of stock prices for Chemicals sector.

BANKS, MERCHANT

Table of stock prices for Banks and Merchant sector.

Table of stock prices for Banks and Merchant sector.

BANKS, RETAIL

Table of stock prices for Banks and Retail sector.

Table of stock prices for Banks and Retail sector.

BREWERIES, PUBS & REST

Table of stock prices for Breweries, Pubs & Rest sector.

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BUILDING & CONSTRUCTION

Table of stock prices for Building & Construction sector.

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ELECTRONIC & ELECTRICAL EQPT - Cont.

Table of stock prices for Electronic & Electrical Eqpt sector.

EXTRACTIVE INDUSTRIES - Cont.

Table of stock prices for Extractive Industries sector.

HEALTH CARE - Cont.

Table of stock prices for Health Care sector.

HOUSEHOLD GOODS

Table of stock prices for Household Goods sector.

INSURANCE

Table of stock prices for Insurance sector.

INSURANCE

Table of stock prices for Insurance sector.

INVESTMENT TRUSTS - Cont.

Table of stock prices for Investment Trusts sector.

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ENGINEERING

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EXTRACTIVE INDUSTRIES - Cont.

Table of stock prices for Extractive Industries sector.

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ENGINEERING - Cont.

Table of stock prices for Engineering sector.

FOOD PRODUCERS

Table of stock prices for Food Producers sector.

INSURANCE

Table of stock prices for Insurance sector.

ENGINEERING

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FOOD PRODUCERS

Table of stock prices for Food Producers sector.

INVESTMENT TRUSTS

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ENGINEERING, VEHICLES

Table of stock prices for Engineering, Vehicles sector.

FOOD PRODUCERS

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INVESTMENT TRUSTS

Table of stock prices for Investment Trusts sector.

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Table of stock prices for Engineering, Vehicles sector.

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LONDON SHARE SERVICE

INV TRUSTS SPLIT CAPITAL - Cont.

Table listing investment trusts with columns for company name, share price, and other financial metrics.

LEISURE & HOTELS - Cont.

Table listing leisure and hotel companies with columns for company name, share price, and other financial metrics.

OTHER FINANCIAL - Cont.

Table listing other financial companies with columns for company name, share price, and other financial metrics.

PROPERTY - Cont.

Table listing property companies with columns for company name, share price, and other financial metrics.

SUPPORT SERVICES - Cont.

Table listing support services companies with columns for company name, share price, and other financial metrics.

AM - Cont.

Table listing American companies with columns for company name, share price, and other financial metrics.

OTHER INVESTMENT TRUSTS

Table listing other investment trusts with columns for company name, share price, and other financial metrics.

LIFE ASSURANCE

Table listing life assurance companies with columns for company name, share price, and other financial metrics.

PAPER, PACKAGING & PRINTING

Table listing paper, packaging, and printing companies with columns for company name, share price, and other financial metrics.

RETAILERS, FOOD

Table listing retailers and food companies with columns for company name, share price, and other financial metrics.

TELECOMMUNICATIONS

Table listing telecommunications companies with columns for company name, share price, and other financial metrics.

AMERICANS

Table listing American companies with columns for company name, share price, and other financial metrics.

INVESTMENT COMPANIES

Table listing investment companies with columns for company name, share price, and other financial metrics.

MEDIA

Table listing media companies with columns for company name, share price, and other financial metrics.

PHARMACEUTICALS

Table listing pharmaceutical companies with columns for company name, share price, and other financial metrics.

RETAILERS, GENERAL

Table listing general retailers with columns for company name, share price, and other financial metrics.

TEXTILES & APPAREL

Table listing textiles and apparel companies with columns for company name, share price, and other financial metrics.

CANADIANS

Table listing Canadian companies with columns for company name, share price, and other financial metrics.

Advertisement for Sharelink, featuring the text 'Indexed. 0121 200 2242 SHARELINK Helping investors help themselves.' and a logo.

PHARMACEUTICALS - Cont.

Table listing pharmaceutical companies with columns for company name, share price, and other financial metrics.

RETAILERS, GENERAL - Cont.

Table listing general retailers with columns for company name, share price, and other financial metrics.

TOBACCO

Table listing tobacco companies with columns for company name, share price, and other financial metrics.

SOUTH AFRICANS

Table listing South African companies with columns for company name, share price, and other financial metrics.

GUIDE TO LONDON SHARE SERVICE

Guide to London Share Service: Prices for the London Share Service... Company classifications are based on those used for the FT-SE 100... Includes details on share prices, dividends, and company focus.

